

Company Registration Number: 11309541

Savannah Energy (Stubb Creek) Limited

Annual report and financial statements
For the year ended 31 December 2022



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Corporate information**Directors**

Nicholas Beattie
Robin Drage

Registered Office

40 Bank Street
London E14 5NR
United Kingdom

Company registration number

11309541

Auditors

BDO LLP
55 Baker St
London
W1U 7EU
United Kingdom

Directors' report
For the year ended 31 December 2022

The Directors present their report and the audited financial statements for Savannah Energy (Stubb Creek) Limited for the year ended 31 December 2022.

Directors

The following served as Directors during the period and up to the date of this report, unless otherwise shown:

Nicholas Beattie
Robin Drage
Christopher Thomas

Resigned 17 June 2022

Principal activities

The principal activity of the Company is a holding company, holding an investment in its subsidiary, Stubb Creek HoldCo Limited, which in turn, holds an investment in its subsidiary Universal Energy Resources Limited ("UERL"), whose principal activity is the exploration and production of oil and gas in Nigeria.

Dividend

The Directors did not propose an interim dividend for the year ended 31 December 2022. The Directors have not proposed a final dividend (2021: nil).

Going concern

The financial statements have been prepared on a going concern basis. The company had a nil profit for the year, (FY21: nil) and a net asset position of US\$100 at 31 December 2022.

The Company does not hold a bank account. The Company is in a net liability position and does not have sufficient liquidity to service its liabilities. The Company is reliant on the ultimate parent company, Savannah Energy PLC, and its subsidiaries (the "Group") to support the going concern assessment of the Company to allow it to service its liabilities. The ultimate parent company has provided a letter of financial support to the Company confirming that it will provide the necessary financial support to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date the financial statements are approved.

The Directors have considered the factors relevant to support a statement of going concern; in assessing the going concern assumption the Directors have reviewed the Group's forecasted cash flows as well as the funding requirements of the Group for the period to 31 December 2024. This forecast was prepared on a "bottom-up" basis, at each major asset and corporate level and it reflects the Group's best estimate of costs and revenues for the period. The capital expenditure and operating costs used in this forecast are based on the Group's approved corporate budget which includes operating budgets for each of the operating subsidiaries and an estimate of the corporate general and administrative costs for the period.

As reported in the Group's Annual Report and Financial Statements for the year ended 31 December 2022, it is recognised that the Group's operations and financing requirements have a number of inter-dependencies across the Group which can create inherent risks and uncertainties which need to be mitigated and this may impact the ability of Savannah Energy Plc to provide the necessary financial support.

Were the Group is unable to provide support, the Company will need to obtain financing from alternative sources. The ability of the Group to provide funding support to the Company indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

These financial statements do not include any adjustments that may be necessary if the going concern basis was not appropriate.

Directors' interests in share capital

As at 31 December 2022 the Directors had no interests in the share capital of the Company. Where applicable, Directors' interests are disclosed in the Savannah Energy Group annual report.

Events after the reporting date

The Directors are not aware of any events that occurred after the reporting date that require reporting.

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

Directors' and officers' liability insurance

All Directors and officers of the Company are covered by Directors' and officers' liability insurance.

Political donations

No political donations were made in the year (2021: nil).

Exemptions

The Company has elected not to disclose a Strategic Report under section 414A of The Companies Act 2006. This section exempts small companies for which the Company qualifies.

Directors' statement of disclosure of information to the auditor

So far as each person who was a Director at the date of approving the report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the company's auditor, each Director has taken all the steps that they are obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of Directors' responsibilities

The Directors are responsible for the preparation of the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare the financial statements for each financial period. Under the law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 and profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

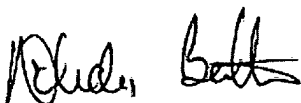
- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial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

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

Appointment of auditors

Pursuant to Section 487 of the Companies Act 2006, BDO LLP (the auditors) are deemed to have been reappointed and remain in office as the auditors of the Company.

Approved by the Board and signed on its behalf by:



Nicholas Beattie
Director
2 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAVANNAH ENERGY (STUBB CREEK) LIMITED

Opinion on the financial statements

In our opinion the financial statements:

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

We have audited the financial statements of Savannah Energy (Stubb Creek) Limited ("the Company") for the year ended 31 December 2022 which comprise the statement of profit or loss and other comprehensive income, the statement of financial position and the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note Note 2 to the financial statements, which indicates that the Company is reliant on Savannah Energy Plc and its subsidiaries ("the Group") to provide financial support to enable it to continue as a going concern. If the Group were unable to provide financial support, the Company will need to obtain financing from alternative sources. As stated in note Note 2, these events or conditions, along with other matters as set out in note Note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a Strategic report.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities,

including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (UK adopted international accounting standards and the Companies Act 2006) and local taxation legislation.

Our procedures included the following:

- We gained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of Management, and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes and other supporting documentation; and
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations noted above.

We assessed the susceptibility of the financial statements to material misstatement, including fraud and considered the fraud risk area to be management override of controls.

Our procedures included:

- Holding discussions with the audit engagement team as to how and where fraud might occur in the financial statements and where any potential indicators of fraud may arise in the Company in order to consider how our audit strategy should reflect our considerations;
- Testing the appropriateness of journal entries made throughout the year, to supporting documentation, by applying specific criteria to detect possible irregularities or fraud;
- We assessed and challenged key areas of judgement and estimation made by management, including their assessment of the going concern position of the Company;
- We enquired of Management of known or suspected instances of fraud, potential litigation and claims. We read minutes of meetings of those charged with governance, and reviewed correspondence with local tax and regulatory authorities;
- We obtained an understanding of the design and implementation of relevant controls surrounding the financial reporting close process (FRCP) such as controls over the posting of journals and obtained an understanding of the segregation of duties in these processes; and
- We also communicated relevant identified laws and regulations and identified fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Company's 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.

DocuSigned by:

Anne Sayers

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Anne Sayers (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London

2 August 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Statement of profit or loss and other comprehensive income
For the year ended 31 December 2022**

The Company did not have any income or expenses in the year (2021: nil).

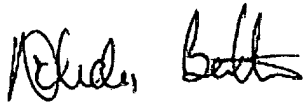
The notes on pages 13 to 18 form part of these financial statements.

Statement of financial position
As at 31 December 2022

	Note	2022 US\$	2021 US\$
Assets			
Non-current assets			
Investment in subsidiary	8	29,118,536	29,118,536
Total non-current assets		29,118,536	29,118,536
Current assets			
Related party receivable	10	100	100
Total current assets		100	100
Total assets		29,118,636	29,118,636
Equity and liabilities			
Capital and reserves			
Share capital	9	100	100
Total equity		100	100
Current liabilities			
Related party payable	10	29,118,536	29,118,536
Total current liabilities		29,118,536	29,118,536
Total equity and liabilities		29,118,636	29,118,636

The notes on pages 13 to 18 form part of these financial statements.

The financial statements of Savannah Energy (Stubb Creek) Limited (Company number: 11309541) were approved by the Board of Directors and authorised for issue on 2 August 2023 and are signed on its behalf by:



Nicholas Beattie
Director

Statement of changes in equity
For the year ended 31 December 2022

	Share capital US\$	Total US\$
As at 31 December 2020	100	100
As at 31 December 2021	100	100
As at 31 December 2022	100	100

The notes on pages 13 to 18 form part of these financial statements.

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

1. Corporate information

The financial statements of the Company for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 2 August 2023.

The Company was incorporated on 13 April 2018. The Company is a private limited company, limited by shares and is registered in England and Wales.

The Company's functional currency is US Dollars (US\$), and these financial statements are presented in US Dollars and all values are rounded to the nearest dollar (US\$), except when otherwise stated.

No dividends have been declared or paid since incorporation.

The Company's registered address is 40 Bank Street, London, United Kingdom, E14 5NR.

The Company's immediate parent is Savannah Energy Nigeria Limited and ultimate parent company is Savannah Energy PLC. Savannah Energy PLC, which is incorporated in England and Wales, is the parent undertaking of the largest and smallest group to consolidate these financial statements. Copies of the Group consolidated accounts may be obtained from the Company Secretary, 40 Bank Street, London, E14 5NR.

2. Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), using historical cost convention, except for certain items measured at fair value.

In preparing these financial statements the Company applies the recognition, measurement and disclosure requirement of International Financial Reporting Standards, but makes amendments where necessary to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Exemptions

The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

The Company has elected not to disclose a Strategic Report under section 414A of The Companies Act 2006. This section exempts small companies for which the Company qualifies.

Summary of disclosure exemptions

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

- a) IFRS 7, 'Financial instruments: disclosures';
- b) Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- c) Paragraph 38 of IAS 1, 'Presentation of financial statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, 'Presentation of financial statements';
- d) Paragraphs 10(d), 10(f), 16, 38A, 38B, 40A to 40D, 111 and 134 to 136 of IAS 1, 'Presentation of financial statements';
- e) IAS 7, 'Statement of cash flows';
- f) Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors';
- g) Paragraphs 17 and 18A of IAS 24, 'Related party disclosures';
- h) The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- i) Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets'.

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

2. Basis of preparation (continued)

Going concern

The financial statements have been prepared on a going concern basis. The company had a nil profit for the year, (FY21: nil) and a net asset position of US\$100 as at 31 December 2022.

The Company does not hold a bank account. The Company is in a net liability position and does not have sufficient liquidity to service its liabilities. The Company is reliant on the ultimate parent company, Savannah Energy PLC, and its subsidiaries (the "Group") to support the going concern assessment of the Company to allow it to service its liabilities. The ultimate parent company has provided a letter of financial support to the Company confirming that it will provide the necessary financial support to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date the financial statements are approved.

The Directors have considered the factors relevant to support a statement of going concern; in assessing the going concern assumption the Directors have reviewed the Group's forecasted cash flows as well as the funding requirements of the Group for the period to 31 December 2024. This forecast was prepared on a "bottom-up" basis, at each major asset and corporate level and it reflects the Group's best estimate of costs and revenues for the period. The capital expenditure and operating costs used in this forecast are based on the Group's approved corporate budget which includes operating budgets for each of the operating subsidiaries and an estimate of the corporate general and administrative costs for the period.

As reported in the Group's Annual Report and Financial Statements for the year ended 31 December 2022, it is recognised that the Group's operations and financing requirements have a number of inter-dependencies across the Group which can create inherent risks and uncertainties which need to be mitigated and this may impact the ability of Savannah Energy Plc to provide the necessary financial support.

Were the Group is unable to provide support, the Company will need to obtain financing from alternative sources. The ability of the Group to provide funding support to the Company indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

These financial statements do not include any adjustments that may be necessary if the going concern basis was not appropriate.

3. Significant accounting policies

New and amended IFRS standards

The following relevant new standards, amendments to standards and interpretations were mandatory for the first time for the financial year beginning 1 January 2022:

Standard	Key requirements	Effective date
Amendments to IAS 37: Onerous Contracts	The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs and an allocation of costs directly related to contract activities. General costs are excluded unless explicitly chargeable under the contract. This change has not had a material impact on the Company's financial statements.	Periods beginning on or after 1 January 2022
Amendments to IFRS 3: Conceptual Framework	The amendments add an exception to the recognition principle of <i>IFRS 3 Business Combinations</i> to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. These amendments did not have a material impact on the Company's financial statements.	Periods beginning on or after 1 January 2022
Amendments to IAS 16: Property, Plant and Equipment	The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an	Periods beginning on or after 1 January 2022

	entity recognises the proceeds from selling such items, and the costs of producing those items, in the statement of profit or loss. These amendments did not have a material impact on the Company's financial statements.	
Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	<p>IFRS 1 First Time Adoption: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures.</p> <p>IFRS 9 Financial Instruments: The amendment clarifies the fees in the '10 per cent' test for derecognition of financial liabilities can only be included if paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.</p> <p>IAS 41 Agriculture – The amendment removes the requirement that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.</p> <p>All of these amendments did not have a material impact of the Company's financial statements.</p>	Periods beginning on or after 1 January 2022

Standards issued but not yet effective

There are a number of standards, amendments to standards and interpretations which have been issued, but are not effective and have not been adopted early.

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).
- IFRS 17: Insurance Contracts (Adoption of a new accounting standard in relation to all types of insurance contracts regardless of the type of entities that issue them)

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)

The Company is currently assessing the impact of these new accounting standards and amendments. Currently, it does not expect any of these amendments to have a material impact on the Company's financial information.

Foreign currency translation

Transactions and balances

Transactions entered in a currency other than the functional currency are translated into the functional currency using the spot exchange rates prevailing at the dates of the transactions. At each statement of financial position date, the monetary assets and liabilities of the Company that are not in the functional currency of that entity are translated into the functional currency at exchange rates prevailing at the statement of financial position date. The resulting exchange differences are recognised in the statement of profit or loss and other comprehensive income.

Functional and presentation currency

Management has concluded that the US Dollar is the functional currency of the Company due to the nature of the transactions of the Group also being in US Dollars.

Investment in subsidiaries

Investments in subsidiaries are stated in the statement of financial position at cost less any provisions for impairment. If a distribution is received from a subsidiary, then the investment in that subsidiary is assessed for an indication of impairment.

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

3. Significant accounting policies (continued)

Financial assets

Related party receivables

Other receivables are measured at amortised cost using the effective interest method.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of the proceeds received or the fair value price at the date of issue, net direct issue costs, which are recorded to share capital (par value) and share premium.

Capital

The capital structure of the Company consists of equity attributable to the owners of the Company, comprising issued capital.

Share capital

Share capital comprises issued capital in respect of issued and paid-up shares, at their par value.

The Company's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term, and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company is managed by the central treasury function of the Savannah Energy Group adjusted to reflect changes in economic conditions.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The Company believes that there are no specific judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of estimation uncertainty

Investments

Investments in subsidiaries are recorded at cost. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the Company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. Where these circumstances have reversed, the impairment previously made is reversed to the extent of the original cost of the investment.

5. Auditors' remuneration

The fees payable to the Company's auditors for the audit of the Company's financial statements was US\$4,000 (2021: \$4,000). The auditors' remuneration has been borne by Savannah Energy PLC.

6. Employees

The Company has had no employees since incorporation.

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

7. Directors' remuneration

The Directors received no (2021: nil) remuneration for their services to the Company during the year. The Directors are employed by Savannah Energy UK Limited, and the remuneration costs are borne by Savannah Energy PLC, for carrying out services for the Group as a whole.

8. Investment in subsidiary

	2022	2021
As at 31 December	US\$	US\$
Stubb Creek HoldCo Limited	29,118,536	29,118,536
	29,118,536	29,118,536

The Company's subsidiaries (direct and indirect) are disclosed below. There has been no change in the shareholdings of subsidiaries in 2022 or 2021.

Name	Nature of business	Country of incorporation	Type of share	Shareholding ¹
Stubb Creek HoldCo Limited	Holding company	Jersey	Ordinary	100% ²
Universal Energy Resources Limited	Oil and gas exploration and development	Nigeria	Ordinary	100% ³

¹ The Company shareholding is the effective shareholding in the entities held directly or indirectly.

² Held directly. Registered office 11 Bath Street, St. Helier, Jersey, JE4 8UT

³ Held indirectly. Registered office NAIC House, Udo Udoma Avenue, Uyo, Akwa Ibom State, Nigeria

9. Share capital

As at 31 December	2022	2021
Ordinary shares in issue (number)	100	100
Par value per share (US\$)	1	1

	Share capital	
	No	US\$
A Ordinary	75	75
B Ordinary	25	25
As at 31 December 2022	100	100

Ordinary A shares and ordinary B shares are equal in all respects except for dividends. The directors may declare and pay dividends of different amounts between share classes.

10. Related party balances

Amounts owed by related parties:

	2022	2021
As at 31 December	US\$	US\$
STC Joint Venture Limited	75	75
Savannah Energy Nigeria Limited	25	25
	100	100

Amounts owed to related parties:

	2022	2021
As at 31 December	US\$	US\$
Savannah Energy Nigeria Limited	29,118,536	29,118,536
	29,118,536	29,118,536

The amount payable to Savannah Energy Nigeria relates to funds provided for the investment in Stubb Creek HoldCo Limited. The loan amount is interest free, unsecured and payable on demand.

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

11.Events after the reporting date

The Directors are not aware of any events that occurred after the reporting date that require reporting.