Company Registration Number: 11950135

Accugas Holdings UK PLC

Annual Report and Financial Statements
For the year ended 31 December 2022

Contents **Page**

Corporate information	2
Strategic report	3
Directors' report	5
Independent auditor's report to the members of Accugas Holdings UK PLC	8
Statement of comprehensive income	14
Statement of financial position	15
Statement of cashflows	16
Statement of changes in equity	16
Notes to the financial statements	17

Corporate information

Directors

Nicholas Beattie
Olusola Ajose Akinkunmi Lawson
Sean Gerard MacDonald
Robin Miles Drage
Todor Emilov Trifonov

Secretary

Nicholas Beattie
40 Bank Street
London
United Kingdom
E14 5NR

Registered office

40 Bank Street
London
United Kingdom
E14 5NR

Registration number

11950135

Auditor

BDO LLP
55 Baker Street
London
United Kingdom
W1U 7EU

Strategic Report
For the year ended 31 December 2022

The Directors present their strategic report on the affairs of Accugas Holdings UK PLC, together with the financial statements and auditor's report, for the year ended 31 December 2022.

Legal form

Accugas Holdings UK PLC ("Accugas" or "the Company") was incorporated in the United Kingdom on 16 April 2019.

Principal activities

The principal activity of the Company is as an investment holding and financing company.

Business review, financial performance and outlook

The Company's immediate parent is Savannah Energy Nigeria Midstream Limited. The Company's 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.

Profit before tax was US$19.9 million (2021: profit of US$8.2 million). The Company's net assets at year-end were US$183.6 million (2021: US$168.2 million). During the period, the company wrote-back US$9.5 million of the original expected credit loss provision previously recognised on the fair value of the intercompany loans.

On 10 November 2020, the Company listed the Senior Secured Notes on the official list of The International Stock Exchange in Jersey.

Risks and uncertainties

The key risks the Company is subject to are treasury related. For further details, refer to note 16.

Key performance indicators

Given the nature of the Company's operations the directors are therefore of the opinion that analysis of the Company using KPIs is not appropriate for an understanding of the development, performance of the Company's position.

Section 172 statement

Section 172 of the Companies Act 2006 ("S172") requires Accugas Holdings UK PLC Directors to act in good faith and in the way that they consider to be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard to the interests of other stakeholders. In doing this section 172 requires a Director to have regard, amongst other matters, to the:

- Likely consequences of any decisions in the long-term;
- Interest of the Company's employees;
- Need to foster the Company's business relationships with suppliers, customers and others;
- Impact of the Company's operations on the community and environment;
- Desirability of the Company maintain a reputation for high standards of business conduct; and
- Need to act fairly between members of the Company.

Strategic Report (continued)
For the year ended 31 December 2022

As is normal for large Groups, the Directors delegate authority for day-to-day management of the Company to Group executives and then engage management in setting, approving and overseeing the execution of the business strategy and related policies. Where a Director is also a Director of entities within the Savannah Energy Group they regularly review health, safety and environmental matters, financial and operational performance as well as other areas over the course of the financial year. These include the Groups business strategy, key risks, employee related matters, diversity and inclusion, corporate responsibility, governance, compliance and legal matters. Refer to the 2022 Strategic Report of the Savannah Energy PLC Group Annual Report for additional details.

Nicholas Beattie

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Nicholas Beattie
Director
30 June 2023

Directors' Report
For the year ended 31 December 2022

The Directors present their report and the audited financial statements for Accugas Holdings UK PLC for the year ended 31 December 2022.

Dividends

The Directors do not intend to propose a dividend in respect of the year ended 31 December 2022 (2021: nil) and no dividends have been declared.

Going concern

The financial statements have been prepared on a going concern basis. The business had a net asset position as at 31 December 2022 of US$183.6 million (2021: US$168.2 million) and a net profit after tax of US$15.5 million for the year (2021: US$6.8 million).

The Company does not hold a bank account. The Company is in a net asset position however the assets do not provide 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 by servicing 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. The Group has been working with its financial advisers and lenders to refinance its principal US$359.1 million Accugas Term Debt Facility ("the Accugas Facility") from US dollar to Naira. The facility is with Accugas Limited, an indirectly held subsidiary of the Company. Substantial positive progress has been made to date as an initial step in the refinancing process, the existing Accugas lenders have agreed a new Naira-denominated four year term facility (the "Transitional Facility") which will be utilised to assist with the full repayment of the Accugas US$ Facility. The Transitional Facility is intended to then be progressively paid down through a combination of long-dated domestic bond issuances and other bilateral facilities (as was detailed in the Group's Admission Document, published December 2021). Whilst the refinancing process proceeds, Accugas Limited continues to work closely with its lending banks and at 31 December 2022, Accugas Limited had agreed to set aside approximately US$174.8 million for debt service purposes.

In Nigeria, the Group continues to access US Dollars as required to pay its non-Naira denominated expenditures including capital expenditures on the compression project. The Directors remain highly confident this will continue and that the Group will be able to access US Dollars and other currencies as required to maintain its operational needs and going concern status. However, a minimal risk exists that the Group may not be able to continue to do so and will therefore be unable to provide the support to the Company and/or Accugas Limited may not be able to complete its planned debt financing or to continue to receive support from its lenders to amend the Accugas Facility to defer conversion of Naira balances to US Dollars.

Were the Group unable to provide support, the Company will need to obtain financing from alternative sources. These facts indicate that a material uncertainty exists that may cast significant doubt on the

Group's ability to provide funding support 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.

Events after the reporting period

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

Directors

The Directors, who served from their date of appointment until signing, were as follows:

N Beattie	
O Lawson	
S MacDonald	
R M Drage	
T Trifonov	Appointed 5 October 2022
C Thomas	Resigned 17 June 2022

Directors' interests in share capital

As at 31 December 2022 the Directors had no interests in the share capital of the Company (2021: nil). Directors' interest in the Parent are disclosed in the Savannah Energy Group annual report where applicable.

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).

Research and development

No was no research and development in the year (2021: nil).

Acquisition of own shares

The Company did not acquire any of its own shares in the year (nil).

Risks and uncertainties

The key risks the Company is subject to are treasury related. For further details, refer to note 16.

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.

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

Directors' responsibilities statement

The Directors are responsible for preparing the Annual 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 the Directors have elected to prepare the Financial Statements in accordance with UK adopted international accounting standards and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Under Company law 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 accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, 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.

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
30 June 2023

Independent auditor's report to the members of Accugas Holdings UK Plc

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 profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Accugas Holdings UK Plc (the 'Company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of cashflows, 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 the preparation of the Company financial statements is applicable law and UK adopted international accounting standards.

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 remain 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw your attention to note 2 of the financial statements, which explains that the Company is dependent on the financial support of Savannah Energy Plc, the refinancing of the bank loan facility of Accugas Limited (an indirect subsidiary of the Company) and the support of the lenders to amend the Accugas Limited Facility to defer conversion of US Dollars balances to Naira. There are currently no unconditional or binding agreements in place and there is no guarantee that the refinancing will ultimately be successful or that the support from the lenders will be forthcoming. As stated in note 2, these events or conditions indicate that a material uncertainty exists which may cast significant doubt over the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We have highlighted going concern as a key audit matter based on our assessment of the significance of the risk and the effect on our audit strategy.

Our work on the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included:

- Assessing whether it was appropriate for the assessment of the going concern basis of preparation to be conducted at Group level in respect of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting taking into consideration the way in which the Company is funded and the inter-relationships of the funding across the Group;
- Assessing whether any requirements for the Company have been included in the cash flow forecasts used to assess going concern to determine the completeness and reasonableness of the forecast;
- Agreeing the opening cash position of the cash flow forecast to supporting documentation;
- Retrospective analysis of estimates in the prior year's going concern model and undertaking a comparison to the current year's results to determine the accuracy of the directors' forecasting ability;

- Assessing the Directors' financial forecasts for the period to December 2024 for consistency and reasonableness by comparing the key underlying assumptions, including oil and gas pricing and production volumes, royalties, operating costs and capital expenditures to the forecasts for the related cash flows as per the Competent Person's Report on the oil and gas reserves as well as current year's actual performance;
- Agreeing the debt service costs and repayments schedule to third party loan agreements to verify completeness and timing of the related cash outflows in the model;
- Reviewing the scenarios prepared by the Directors which considered potential adverse developments scenarios. These scenarios included sensitising key assumptions underpinning the forecasts, including oil pricing, delay in customer gas receipts and reduction in production volumes and the assessment of the resulting level of cash at the end of going concern assessment period under such scenarios. During the course of our work we considered whether there were any other reasonably likely scenarios which may occur;
- Examining the latest correspondence, Management's memoranda and Board minutes related to the Accugas Loan refinancing to determine if there was any available information contradictory to the assumptions made in the going concern model; and
- Reviewing and evaluating the adequacy, completeness and consistency of disclosures in the financial statements and those of the Parent with the Directors' going concern assessment based on the evidence obtained during the audit.

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.

Overview

Key audit matters	Going Concern	2022 ✓	2021 ✓
Materiality	*Company financial statements as a whole* US$1m (2021: US$0.3m) based on 5% (2021: 5%) of *Profit before tax*.		

An overview of the scope of our audit

Our audit was performed by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Apart from the matter described in the Material Uncertainty Related to Going Concern section of our report, we did not identify any other matters to be communicated as key audit matters in our report.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2022	2021
Materiality	US$1m	US$0.3m
Basis for determining materiality	5% of profit before tax	5% of profit before tax
Rationale for the benchmark applied	The Company's sole purpose is as an issuer of the bonds, and its sole activity relates to being a vehicle for the bond expense. As there are significant costs and income relating to the loan and the onward lending of the loan, profit before tax is considered to be an appropriate basis for materiality given the Company's sole purpose.	The Company's sole purpose is as an issuer of the bonds, and its sole activity relates to being a vehicle for the bond expense. As there are significant costs and income relating to the loan and the onward lending of the loan, profit before tax is considered to be an appropriate basis for materiality given the Company's sole purpose.
Performance materiality	US%0.7m	US$0.225m
Basis for determining performance materiality	70% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	Performance materiality was set at 70% of materiality given the low level of transactions in the Company. This was reduced from the previous year in line with the overall materiality thresholds applied to the Group Financial Statements.	Performance materiality was set at 75% of materiality given the low level of transactions in the Company.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of US$21,000 (2021:US$6,600). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements 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

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Company 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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 Group's and the Parent 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 Group or the Parent 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).

Our procedures included:

- Obtaining 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 inquires 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. This 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. We considered the fraud risk areas to be management override of controls.

Our procedures included:

- 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 (refer to the Key Audit Matter set out above);

- 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; and

- We obtained an understanding of the design and implementation of relevant controls surrounding the financial reporting close process) such as controls over the posting of journals and the consolidation process and obtained an understanding of the segregation of duties in these processes.

We also communicated relevant identified laws and regulations and identified fraud risks to all engagement team members, who were all deemed to have appropriate competence and capabilities, 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: 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Anne Sayers
8B392C356CA246E...

Anne Sayers (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
30 June 2023

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

Statement of Comprehensive Income
For the year ended 31 December 2022

	Note	**Year ended 31 December 2022 US$'000**	Year ended 31 December 2021 US$'000
Administrative and other operating expenses	7	**(62)**	(115)
Operating loss		**(62)**	(115)
Expected credit loss writeback	8	**9,519**	—
Finance income	9	**18,098**	13,488
Finance costs	10	**(5,626)**	(4,567)
Fair value adjustment	11	**(2,010)**	(610)
Foreign translation loss		**(1)**	(10)
Profit before tax		**19,918**	8,186
Tax expense	12	**(4,457)**	(1,395)
Net profit and total comprehensive income		**15,461**	6,791

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

The notes on pages 17 to 28 form part of these financial statements.

Statement of Financial Position
As at 31 December 2022

	Note	2022 US$'000	2021 US$'000
Assets			
Current assets			
Receivables		**13**	—
Total current assets		**13**	—
Non-current assets			
Investment in subsidiaries	13	**6,381**	6,381
Related party receivable	18	**266,644**	230,686
Total non-current assets		**273,025**	237,067
Total assets		**273,038**	237,067
Equity and liabilities			
Capital and reserves			
Share capital	14	**82**	82
Share premium	14	**152,332**	152,332
Retained earnings		**31,220**	15,759
Total equity		**183,634**	168,173
Non-current liabilities			
Borrowings	16	**33,326**	28,841
Total non-current liabilities		**33,326**	28,841
Current liabilities			
Trade and other payables	15	**263**	219
Related party payables	18	**54,315**	38,334
Borrowings	16	**1,500**	1,500
Total current liabilities		**56,078**	40,053
Total equity and liabilities		**273,038**	237,067

The notes on pages 17 to 28 form part of these financial statements.

The financial statements of Accugas Holdings UK PLC (Company number: 11950135) were approved by the Board of Directors and authorised for issue on 30 June 2023 and are signed on its behalf by:

Nicholas Beattie
Director

Statement of Cash Flows
For the year ended 31 December 2022

The Company has no cash flows as the entity does not operate a bank account. The ultimate parent Savannah Energy PLC manages all funding transactions on its behalf.

Statement of Changes in Equity
For the year ended 31 December 2022

	Share capital US$'000	Share premium US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2021	**82**	**152,332**	**8,968**	**161,382**
Total comprehensive income for the year	—	—	6,791	6,791
Balance at 31 December 2021	**82**	**152,332**	**15,759**	**168,173**
Total comprehensive income for the year	—	—	15,461	15,461
Balance at 31 December 2022	**82**	**152,332**	**31,220**	**183,634**

The notes on pages 17 to 28 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 30 June 2023.

The Company was incorporated in the United Kingdom on 16 April 2019 as a public limited company.

The Company's functional currency is US Dollars ("US$"), and the financial statements are presented in US Dollars and all values are rounded to the nearest thousand (US$'000), except when otherwise stated.

The Company is domiciled in the UK for tax purposes. No dividends have been declared or paid since incorporation.

The Company's immediate parent is Savannah Energy Nigeria Midstream Limited. The Company's 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. The Company's registered address is 40 Bank Street, London E14 5NR.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with UK adopted international accounting standards and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Exemptions

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

Going concern

The financial statements have been prepared on a going concern basis. The business had a net asset position as at 31 December 2022 of US$183.6 million (2021: US$168.2 million) and a net profit after tax of US$15.5 million for the year (2021: US$6.8 million).

The Company does not hold a bank account. The Company is in a net asset position however the assets do not provide 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 by servicing 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. The Group has been working with its financial advisers and lenders to refinance its principal US$359.1 million Accugas Term Debt Facility ("the Accugas Facility") from US dollar to Naira. The facility is with Accugas Limited, an indirectly held subsidiary of the Company. Substantial positive progress has been made to date as an initial step in the refinancing process, the existing Accugas lenders have agreed a new Naira-denominated four year term facility (the "Transitional Facility") which will be utilised to assist with the full repayment of the Accugas US$ Facility. The Transitional Facility is intended to then be progressively paid down through a combination of long-dated domestic bond issuances and other bilateral facilities (as was detailed in the Group's Admission Document, published December 2021). Whilst the refinancing process proceeds, Accugas continues to work

Notes to the Financial Statements for the year ended 31 December 2022 (continued)
2. Basis of preparation (continued)
Going Concern (continued)

closely with its lending banks and at 31 December 2022, Accugas had agreed to set aside approximately US$174.8 million for debt service purposes.

In Nigeria, the Group continues to access US Dollars as required to pay its non-Naira denominated expenditures including capital expenditures on the compression project. The Directors remain highly confident this will continue and that the Group will be able to access US Dollars and other currencies as required to maintain its operational needs and going concern status. However, a minimal risk exists that the Group may not be able to continue to do so and will therefore be unable to provide the support to the Company and/or Accugas Limited may not be able to complete its planned debt financing or to continue to receive support from its lenders to amend the Accugas Facility to defer conversion of Naira balances to US Dollars.

Were the Group unable to provide support, the Company will need to obtain financing from alternative sources. These facts indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to provide funding support 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 *IFRS 3 Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. 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 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.	Periods beginning on or after 1 January 2022
Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	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. IFRS 9 Financial Instruments: The amendment clarifies the fees in the '10 per cent' test for derecognition of financial liabilities can only be included	Periods beginning on or after 1 January 2022

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.

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.*

All of these amendments did not have a material impact of the Company's financial statements.

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.

The Group 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 Group's financial information.

Foreign currency translation

Transactions and balances

Transactions entered into 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's entities 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 comprehensive income.

Functional and presentation currency

Management has concluded that the US Dollar is the functional currency of the Company due to it being the currency of the primary economic environment in which the Company operates, based on the following fact the majority of funds raised from financing activities (debt instruments) are generated in US Dollars.

Investments 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.

Financial assets

Amounts due from Group and related party receivables

Related party receivables are measured at amortised cost using the effective interest method less any impairment.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

3. Significant accounting policies (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For related party receivables, the Company applies the general approach. The general approach involves tracking the changes in the credit risk and recognising a loss allowance based on a lifetime ECL ('Expected Credit Loss') where the receivables are considered to be in Stage 2 or 3 at each reporting date. When the Company acquires credit impaired assets, the ECL that is netted against the gross receivable balance is recognised as a gain or loss to the Statement of Comprehensive Income when there are changes to the lifetime ECL, which is assessed at each reporting period.

Financial assets measured at fair value through profit or loss ("FVTPL")

Financial assets are classified as measured at FVTPL when the asset does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income. Such assets are carried on the Statement of Financial Position at fair value with gains or losses recognised in the Consolidated Statement of Comprehensive Income. Derivatives, embedded or otherwise, are included in this category; such embedded derivatives include a call options included within a loan note which gives the Group the option to repay the loan at a discount to the face value of the note.

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.

Financial liabilities at amortised cost

After initial recognition at fair value, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Loans

Loans are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Refer to note 16 for further information.

Equity instruments

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

Trade payables

Trade payables are measured at fair value which is considered to be akin to the carrying value.

Taxation

Current tax

The tax currently payable is based on assessable taxable income generated for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date. Group relief is utilised where available.

Current tax is recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity or other comprehensive income, in which case the tax is also recognised directly in equity or other comprehensive income, as appropriate.

Capital

The capital structure of the Company consists of equity attributable to the owners of the Company, comprising issued capital, the capital contribution reserve, the other reserve in respect of stamp tax arising on the issue of equity, the share-based payment reserve and the accumulated deficit.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)
3. Significant accounting policies (continued)
Capital (continued)

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

Share premium
Share premium comprises the difference between the proceeds received and the par value of the issued and paid-up shares.

Retained earnings
Retained earnings comprises the accumulated or deficit of earnings retained by the Company.

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 and 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 considered to be 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.

Critical accounting judgements

The Company has made no significant judgements during the period 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

US$20 million SSN and call option
As described above and set out at note 15, the Company issued US$20 million of Senior Secured Notes. Embedded within this instrument is a 'call' option which allows the issuer to redeem the note at a discount to its contractual face value, during the note's term. Given this optionality, the underlying note and the option had to be identified and valued separately. The loan was valued by discounting the future contractual cash flows at an appropriate market rate for a debt instrument without any call features. The option value was determined using an option model that estimated the relative option values for early exercise.

Allowance for expected credit losses on intercompany receivables
The judgements used when calculating the expected credit losses (ECL) allowance relate to the estimating the probability of default. A deterioration in a counterparty credit rating is likely to materially impact the probability of default and therefore the ECL allowance. The Company believes that there are no other specific judgements or estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Auditors' remuneration

The fees payable to the Company's auditors for the audit of the Company's financial statements was US$6,000 (2021: US$6,000). The auditors' remuneration has been borne by Savannah Energy PLC.

6. Directors' remuneration

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

7. Administrative and other operating expenses

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Legal and professional expenses	**62**	115
	62	115

The legal and professional expenses relate to administrative charges incurred in relation to borrowing facilities held.

8. Expected credit loss writeback

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Expected credit loss writeback	**9,519**	—
	9,519	—

In 2019, Savannah Energy Group acquired Seven Energy Group and restructured their intercompany loans. This resulted in credit impaired intercompany loans being recognised which was net of a credit loss provision of $334.1 million. The assessment of recoverability of these loans was based on scenarios with default probabilities. During the year there was a reassessment of the expected recovery of the intercompany loans which has led to a decrease in the original credit loss provision from the previous period. As a result, the credit loss provision balance is now estimated at $324.5 million with the Company writing back $9.5 million of the original fair value adjustment recognised in 2019.

9. Finance income

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Interest income on intercompany loans	**17,381**	12,644
Accretion of interest on an intercompany loan	**708**	844
	18,098	13,488

10. Finance costs

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Interest expense on intercompany loans	**2,100**	1,268
Interest expense on loan notes	**3,526**	3,299
	5,626	4,567

11. Fair value adjustment

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Fair value adjustments	**2,010**	610
	2,010	610

In 2022 the fair value adjustment relates to the revaluation of the embedded derivative within the US$20 million Senior Secured Notes ("SSNs"). The embedded derivative provides a redemption option whereby early repayment of the principal amount will result in a discount to the contractual loan value. The value of the option at the year end, as well as the valuation method, is described in note 16.

12. Income tax

The tax expense for the Company is:

Year ended 31 December	**2022** **US$'000**	2021 US$'000
Current tax		
- Current year	**4,457**	1,395
Total tax expense for the year	**4,457**	1,395

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

12. Income tax (continued)

Corporation tax is calculated at the applicable tax rate for each jurisdiction based on the estimated taxable profit for the year. The Company's outstanding current tax liabilities of US$3,732,000 (2021: US$2,537,000) relate to the corporation tax liabilities in the UK. These are payable to the ultimate parent, Savannah Energy PLC for group relief and have been recognised as a related party payable (Note 18). The tax rate used for 2022 reconciliation is 19% (2021: 19%), as income generating activities occur principally in that jurisdiction.

Year ended 31 December	**2022 US$'000**	2021 US$'000
The (credit)/charge for the year can be reconciled per the Statement of Comprehensive Income as follows:		
Profit on ordinary activities before taxes	**19,918**	8,186
Profit before taxation multiplied by the tax rate of 19.0% (2021: 19%)	**3,784**	1,555
Tax effects of:		
Adjustments in respect of prior years	512	—
Non-taxable income	—	(160)
WHT	1,111	—
Group losses utilised	(950)	—
Tax charge for the year	**4,457**	1,395

13. Investment in subsidiaries

	2022 US$'000	2021 US$'000
Accugas UK Limited	**6,381**	6,381
	6,381	6,381

The Company's subsidiaries are disclosed below. Transactions between subsidiaries and the parent company are eliminated on consolidation.

Name	Nature of business	Registered office	Country of incorporation	Type of share	Group Shareholding[1]
Accugas UK Limited	Holding company	A	United Kingdom	Ordinary	100%[2,4]
Exoro Holding B.V.	Holding company	B	Netherlands	Ordinary	100%[3,4]
Accugas Limited	Gas marketing, processing and distribution	C	Nigeria	Ordinary	100%[3,4]
Accugas Funding 1 SPV PLC	Finance company	C	Nigeria	Ordinary	100%[3,4]

[1] The Company shareholding is the effective shareholding in the entities held directly or indirectly.
[2] Held directly.
[3] Held indirectly.
[4] Share holdings consistent with prior year

Registered office addresses:

A 40 Bank Street, London, E14 5NR, United Kingdom
B Fascinatio Boulevard 350, Rotterdam, 3065wb, Netherlands
C The Wings Complex, 17A Ozumba Mbadiwe Avenue, Victoria Island, Eti-Osa, Lagos, Nigeria

14. Capital and reserves

As at 31 December	**2022**	2021
Fully paid ordinary shares in issue (number)	**62,502**	62,502
Par value per share in GBP	**1**	1

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

14. Capital and reserves

	Number of shares	Share capital US$'000	Share premium US$'000	Total US$'000
As at 31 December 2020	62,502	82	152,332	152,414
As at 31 December 2021	62,502	82	152,332	152,414
As at 31 December 2022	**62,502**	**82**	**152,332**	**152,414**

15. Trade and other payables

As at 31 December	**2022 US$'000**	2021 US$'000
Interest payable	**203**	14
Accruals	**51**	5
Trade Payables	**9**	44
VAT & WHT payable	**—**	156
	263	219

The Directors consider that the carrying amount of trade and other payables approximates to their fair value. All amounts are payable within one year.

16. Borrowings

As at 31 December	**2022 US$'000**	2021 US$'000
Senior secured and other notes	**34,826**	30,341
	34,826	30,341

As at 31 December	**2022 US$'000**	2021 US$'000
Current borrowings	**1,500**	1,500
Non-current borrowings	**33,326**	28,841
	34,826	30,341

The Company has a promissory note of US$13.9 million (2021: US$13.6 million). Repayments of principal in the amount of US$0.5 million commenced on 30 June 2021 and continue semi-annually until the final maturity date of 31 December 2025, at which time all unpaid principal is due. The loan carries a cash interest rate of 8% per annum, with a payment-in-kind interest option of 10% per annum. The payment-in-kind interest option was exercised in 2021 and 2022.

The Company also issued a Senior Secured Note of US$20 million on 14 November 2019. The term of the note is for repayment in full by 14 November 2025. The loan carries a cash interest rate of 6% per annum, with a payment-in-kind interest option of 8% per annum. The payment-in-kind interest option was exercised in 2021 and 2022. The note also includes a voluntary prepayment redemption option whereby early repayment of the principal amount will result in a discount to the contractual loan value. If this repayment option is invoked before 14 November 2022, a discount of 30% will be applied to the face value of US$20 million. The repayment amount will increase by 10% yearly, until the maximum amount redemption option is 100% in 2024. As an embedded derivative, this option is required to be separated from the host contract and valued separately. Initially, the fair value of the note without any call option was calculated by discounting the future expected cash flows at a market yield. This resulted in an initial amortised value of US$17.9 million with an EIR of 8.73%; the loan balance has increased due to accretion of interest and the utilisation of the payment-in-kind option with a balance of US$23.7 million at 31 December 2022 (2021: US$21.5 million). The call option value was estimated using a synthetic American receiver swaption model, adjusting for additional cash repayments required for early exercise. The value of the option was remeasured to an estimated US$2.8 million (2021: US$4.8 million) with the movement recognised as FVTPL. The option has been recorded within non-current borrowings. Both facilities held by Accugas Holdings UK Plc are secured against the shares and assets of Accugas Holdings UK Plc and Accugas UK Limited and the shares of Exoro Holding B.V., all of which are subsidiaries of the Company.

17. Financial instruments

(a) Financial instruments by category

At the end of the year, the Company held the following financial instruments:

As at 31 December	**2022 US$'000**	2021 US$'000
Financial assets		
Amortised cost		
Related party receivable	**266,644**	230,686
	266,644	230,686
Financial liabilities		
Amortised cost		
Trade payables	**(250)**	(219)
Related party payable	**(54,315)**	(38,334)
Borrowings	**(34,826)**	(35,151)
	(89,391)	(73,704)
Fair value through profit or loss		
Call option (within Borrowings)	**2,800**	4,810
Net financial instruments	**180,053**	161,792

The carrying value of all financial assets and liabilities measured at amortised cost are a reasonable approximation of their fair value.

The carrying value approximates the fair value for the borrowings.

The value of the Call option has been disclosed within Non-current borrowings (Note 16). The call option uses level 2 inputs to be fair valued. A synthetic American receiver swaption model, adjusting for additional cash repayments is used, as described in note 16. There has been no transfers between level 1 and level 2 of the fair value hierarchy.

(b) Risk management policy

In the context of its business activity, the Company operates in an international environment in which it is confronted with market risks, specifically foreign currency risk and interest rate risk. It does not use derivatives to manage and reduce its exposure to changes in foreign exchange rates and interest rates. In addition to market risks, the Company is also exposed to liquidity and credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is reliant on its ultimate parent entity Savannah Energy PLC and wider group to finance its operations.

The Company manages liquidity risk by regularly reviewing cash requirements by reference to short-term cash flow forecasts and medium-term working capital projections prepared by management.

Ultimate responsibility for liquidity risk management rests with the Board of Directors.

The Company's liquidity position and its impact on the going concern assumption are discussed further in the Going Concern section in note 2 of these financial statements.

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial borrowings based on the earliest date on which the Company can be required to pay.

Refer to table on next page

As at 31 December 2022	Weighted average effective interest rate	Less than 1 year US$'000	Between 1-5 years US$'000	Greater than 5 years US$'000	Total US$'000
Fixed interest rate instruments					
Principal repayment	**9.07%**	**1,500**	**39,638**	**—**	**41,138**
Interest payment		**2,602**	**5,296**	**—**	**7,898**
Net exposure		**4,102**	**45,766**	**—**	**49,868**

As at 31 December 2021	Weighted average effective interest rate	Less than 1 year US$'000	Between 1-5 years US$'000	Greater than 5 years US$'000	Total US$'000
Fixed interest rate instruments					
Principal repayment	9.04%	1,500	33,171	—	34,671
Interest payment		2,462	7,555	—	10,017
Net exposure		3,962	40,726	—	44,688

(d) Foreign currency risk

Foreign currency risk arises because the Company operates in the United Kingdom, whose currency is not the same as the functional currency in which the Company is operating.

Foreign currency risk also arises when the Company enters into transactions denominated in a currency other than its functional currency. The main foreign currency risk in the year ended 31 December 2021 relates to transactions denominated in British Pound Sterling.

The primary exchange rate movements that the Company is exposed to is US$:GBP. Foreign exchange risk arises from recognised assets and liabilities. Material loans and receivable balances are denominated in US$.

The Company considers all 'other receivables' potential ECLs to be immaterial and therefore no provision has been recognised. The Company considers all intercompany balances recoverable and any potential expected credit losses are judged to be immaterial.

18. Amounts owed from/owed to related parties

Amounts receivable

	2022 US$'000	2021 US$'000
Accugas Limited- loans from Accugas Holdings UK PLC	**101,920**	79,121
Accugas Limited- working capital from Accugas Holdings UK PLC	**123,431**	123,431
Savannah Energy PLC- the ultimate parent of the Company	**41,293**	28,134
Related party receivables	**266,644**	230,686

The Company has an intercompany loan of US$116.0 million with Accugas Limited. The loan carries an interest rate of 9.15% per annum plus 3-month LIBOR. The effective interest rate is 9.10%. The loan is repayable on demand.

The Company has an intercompany loan of US$210.0 million with Accugas Limited which is repayable on demand. The loan was discounted on recognition and is accreting to the value of US$210.5 million by 31 December 2025.

The Company has a working capital loan with Accugas Limited which bears no interest and are repayable on demand.

In 2019, as a result of the Savannah Energy Group's acquisition of the Seven Energy Group and restructuring of intercompany loans, the credit impaired loans assumed a credit loss provision of US$334.1 million. Please refer to above for referenced loans. However, a reassessment undertaken at the end of the period has resulted in a revised expected credit loss provision amount of US$324.5 million with the difference of US$9.5 million taken to the statement of comprehensive income as Expected credit loss writeback.

18. *Amounts owed from/to related parties (continued)*

Amounts payable

	2022 US$'000	2021 US$'000
Savannah Energy PLC - the ultimate parent of the Company	**(54,196)**	(38,334)
Accugas Limited	**(119)**	—
Related party payables	**(54,315)**	(38,334)

19. Related party transactions

Details of transactions between the Company and other related parties are disclosed below.

	Year ended 31 December 2022 US$'000	Year ended 31 December 2021 US$'000
Interest income from Accugas Limited	**13,178**	10,801
Accretion of interest on intercompany loans from Accugas Limited[1]	**708**	844
Interest income from Savannah Energy PLC[2]	**4,203**	1,843
Interest expense to Savannah Energy plc	**(2,100)**	(1,268)
Tax losses utilised from Savannah Energy PLC	**(950)**	—
Other charges from Savannah Energy plc	**(3,856)**	(1,593)

[1]The Company holds a loan receivable from its subsidiary Accugas Limited. The loan was discounted on recognition and is accreting to the value of US$210.5 million by 31 December 2025. This is the accretion charge for the year.
[2]This includes the Senior Secured Notes which are held in the Company and all interest and fair value adjustments are charged to the ultimate parent, Savannah Energy PLC, in a back-to-back loan agreement.

Compensation of key management personnel

The Directors received no remuneration for their services to the Company during the year (2021: nil). Where applicable, the Directors have their remuneration costs borne by Savannah Energy PLC, for carrying out services for the Savannah Energy Group as a whole. The Directors that are not employed by Savannah Energy UK Limited are not remunerated by Savannah Energy PLC for their services. Savannah Energy UK Limited is a Company within the Savannah Energy Group.

20. Changes in the Company's liabilities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

	Interest payable US$'000	Borrowings US$'000
As at 1 January 2021	163	26,905
Non-cash adjustments		
Payment in kind adjustment/accretion of interest	(149)	3,345
Payment made on behalf by ultimate parent	—	(519)
Borrowing fair value adjustment	—	610
As at 31 December 2021	14	30,341
Non-cash adjustments		
Payment in kind adjustment/accretion of interest	**189**	**3,511**
Payment made on behalf by ultimate parent	—	**(1,036)**
Borrowing fair value adjustment	—	**2,010**
As at 31 December 2022	**203**	**34,826**

For additional information of the payment in kind adjustments, refer to Note 16.

The Company has no cash flows as there is no cash held in the entity.

21. Capital commitments

At the reporting date, the Company had no material capital commitments (2021: nil)

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

22. Events after the reporting period

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