7 June 2024

Savannah Energy PLC

("Savannah" or "the Company"")

FY 2023 Audited Annual Results

Notice of AGM and Posting of the 2023 Annual Report

Savannah Energy PLC, the British independent energy company focused around the delivery of ***Projects that Matter***, is pleased to announce its audited results for the year ended 31 December 2023. The Notice of the Annual General Meeting ("AGM") and a copy of the 2023 Annual Report and Accounts are available to download from the Company's website (www.savannah-energy.com). The Notice of the AGM has been posted to those shareholders who have elected to receive postal copies.

Andrew Knott, CEO of Savannah Energy, said:

"2023 clearly demonstrated the robustness of our business model, corporate capacity and corporate infrastructure. Our core business continued to perform strongly, while we have progressed our projects in Niger during a period of political change, progressed two separate hydrocarbon acquisitions which are material to our business, continued to grow our renewable energy business, managed the impact of the nationalisation of our Chad Assets to ensure that we receive the value we are due and positioned ourselves strongly to announce further new and exciting projects in 2024."

FY 2023 Highlights

- Average gross daily production was 23.6 Kboepd, broadly in line with FY 2022 production on a like-for-like basis when adjusted for a planned maintenance programme;
- Up to 696 MW of renewable energy projects in motion at year-end, and targeting a portfolio of up to 1 GW+ of renewable energy projects in motion by end 2024 and up to 2 GW+ by end 2026;
- Financial guidance achieved or exceeded;
    - Total Revenues[1] of US$260.9 million (11% ahead of guidance of 'greater than US$235 million');
    - Operating expenses plus administrative expenses[2] of US$68.8 million (8% below guidance of 'up to US$75.0 million'); and
    - Capital expenditure of US$13 million (guidance of 'up to US$30 million');
- Strong safety record maintained with a zero Lost Time Injury rate;
- Continued increase in customer diversification in Nigeria with gas sold to nine customers, and a number of new and extended sales agreements signed, totalling up to 101 MMscfpd;
- Average realised sales price of US$4.51/Mscfe (+9% increase on the prior year average realised price of US$4.14/Mscfe);
- Agreement signed with Amalgamated Oil Company Nigeria Limited to purchase up to 20 MMscfpd of gas over the course of the next 10 years for onward sale to our gas customers, providing a commercial route to market for third-party stranded gas resources via our c. 260km pipeline network; and
- US$45m compression project in Nigeria advanced and remains on track with front-end engineering design and the associated order of long lead items completed in Q4 2023.

Post-year End Update

- Strong Nigerian gas sales momentum continued with a 12-month contract extension signed in January 2024 with FIPL to supply up to 65 MMscfpd to their FIPL Afam, Eleme and Trans Amadi power stations;
- Accugas refinancing process underway with new Naira facility signed in early 2024, which is being progressively drawn down during the year and utilised towards repayment of the existing Accugas US$ facility;
- Agreements signed in March 2024 to acquire 100% of Sinopec International Petroleum Exploration and Production Company Nigeria Limited ("SIPEC"), whose principal asset is a 49% non-operated interest in the Stubb Creek oil and gas field, Nigeria, consolidating our interest in the asset. Plans in place to double production to approximately 4.7 Kbopd within 12 months following completion of the acquisition through the implementation of a de-bottlenecking programme; and
- US$45m compression project in Nigeria on-budget and on-track for completion in H2 2024, which will enable us to maintain and grow our gas production levels.

Sustainability Highlights

- Publication of first disclosure reports in accordance with the Task Force on Climate-Related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB") standards during 2023, and publication of first disclosure reports in accordance with the Global Reporting Initiative ("GRI") and our chosen United Nations Sustainable Development Goals ("UN SDGs") post-year end in 2024;
- Low carbon intensity metric maintained in 2023 of 10.7 kg CO_2e/boe (2022: 9.7 kg CO_2e/boe), 45% lower than the Supermajor average of 19.4 kg CO_2e/boe[3];
- Total Contributions[4] in 2023 to host nations were US$52.0 million; and
- 24% increase in training hours per employee and a 24% increase in total training hours in 2023 to 15,858 (2022: 12,754).

Financial guidance for 2024

We are providing the following guidance in relation to the Group for the year ended 31 December 2024. This guidance does not include any contribution from proposed acquisitions:

- Total Revenues[1] greater than US$245 million;
- Operating expenses and administrative expenses[2] of up to US$75 million; and
- Capital expenditure of up to US$50 million.

AGM

The AGM will be held at 10.30 a.m. (BST) on Friday, 28 June 2024 at 40 Bank Street, London, E14 5NR. Details on how to submit your proxy vote are set out in the section of the Notice of AGM headed "Voting Arrangements - Action to be taken".

For further information, please refer to the Company's website www.savannah-energy.com or contact:

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

About Savannah Energy:

Savannah Energy PLC is a British independent energy company focused around the delivery of ***Projects that Matter*** in Africa

Chair’s statement
Well placed for an exciting year ahead

Dear fellow shareholders,
I am pleased to provide my inaugural report to shareholders, having been appointed to the Board as a Non-Executive Director in April 2023, and having succeeded Steve Jenkins as Chair following the 2023 AGM. I would like to take this opportunity to thank Steve for his leadership of the Board from the Company’s inception in 2014 to June 2023. We are fortunate to be able to continue to draw on Steve’s experience and knowledge in his continuing role as a Non-Executive Director. I would also like to thank Sylvie Rucar, who resigned from the Board as a Non-Executive Director in July 2023, for her contribution to the Company.

Savannah performed well in 2023 and has shown strength and resilience. I am pleased with how the Company adapted and managed the challenges it faced in 2023, whilst continuing to focus on delivering our long-term strategy and adhering to high standards of governance. The Company is well placed for an exciting second half of 2024, with the anticipated completion of both the South Sudan and SIPEC Acquisitions, the expected completion of the compression project in Nigeria, the comprehensive flow testing programme planned for key oil fields within our R3 East Development in Niger and the continuing development of our Renewable Energy Division.

We have continued to enshrine a strong safety culture within Savannah with a zero LTI and zero TRIR achieved in 2023. I am particularly proud to report that in September 2023 our operations in Nigeria recorded a significant milestone with one million working hours without an LTI, followed by two million working hours without an LTI post-year end in May 2024.

The Board continues to place great emphasis on engagement with all our stakeholder groups and more information on this is provided in our Section 172 Statement on page 42 of our Annual Report and Accounts 2023. Our updated materiality assessment post-year end also ensures that we continue to engage with our key stakeholder groups on a range of relevant sustainability topics.

We continue to use the 2018 Quoted Companies Alliance Corporate Governance Code (the “QCA Code”) as the basis of the Group’s governance framework. The Corporate Governance Report on page 112 of our Annual Report and Accounts 2023 explains how we applied the principles of the QCA Code in 2023. After reflecting on the governance requirements of the Group and the breadth of the Directors’ skills, the Board decided to adopt a number of changes to the structure of the Committees, including:

- Changing the membership composition of the Committees;
- Transferring the risk responsibilities from the Audit Committee to the Health, Safety, Environment, Security and Risk Committee; and
- Reviewing and updating the terms of reference for certain Committees.

The resulting alignment of the Board, its Committees and the executive team means we are in a strong position to deliver the Group’s strategy and long-term value to both internal and external stakeholders.

In order to ensure that the continued development of the Board is in parallel with the pace of the expansion and dynamism of the Company, during H2 2024 we intend to undertake an evaluation of the Board, its Committees and each Director. As evidenced by the new Director appointments over the last two years, the Board continues to place significant value on having Directors with diverse outlooks and varied experiences to achieve the balance of skills required to run a company such as Savannah during this stage of its growth cycle.

As we look to the future, our focus on growing a material, African-focused energy business remains unchanged. As a Board we remain cognisant of our responsibility to ensure the long-term success of this strategy in the interests of, not only our shareholders, but also our wider stakeholders, including our employees, our host governments and our local communities. I believe that Savannah is exceptionally well-positioned to achieve these ambitions.

Thank you to you all for your support for Savannah Energy in 2023 and the year to date.

Joseph Pagop Noupoué
Chair of the Board
6 June, 2024

CEO's shareholder letter
Championing the African energy transition

Dear fellow shareholders
I would like to welcome you to our tenth Annual Report as a listed company. This year's letter follows a similar format to those of recent years. The first section discusses our Company's continued industry-leading financial, operational and sustainability performance. The second discusses our key focus areas for 2023 and 2024. The third discusses the "how" and the "why" we see the African energy transition evolving and discusses the relevance of our hydrocarbon AND renewables business model.

Before turning to the first section, I would like to draw your attention to three key articles in this year's Annual Report. The first article on pages 10 to 19 describes "Why we do what we do", where we discuss our corporate purpose and the associated core beliefs which serve to underpin our strategy and business model. I really believe that this section is essential reading for anyone seeking to understand our Company. The second on pages 27 to 31, authored by Professor Stefan Dercon, CMG, Professor of Economic Policy at the Blavatnik School of Government and the Department of Economics of the University of Oxford, and the Director of the Centre for the Study of African Economies at the University of Oxford, discusses "Private Investors and the Gamble on Growth and Development", drawing on themes from his recent book, "Gambling on Development; Why Some Countries Win and Others Lose". The third article, on pages 32 to 37 from Johan Norberg, an author, lecturer, documentary filmmaker and a Senior Fellow at the Cato Institute in Washington D.C., focuses on the importance of capitalism and free markets for economic growth in Africa, following the arguments developed in his recent book, "The Capitalist Manifesto: Why the Global Free Market Will Save the World". We are extremely grateful to both of our distinguished guest authors for their contributions.

2023 in review
The macro environment of 2023 was very different to that of 2022. Real GDP growth in both Africa and the OECD fell year-on-year to 3.2%[1] and 1.6%[2] from 4.0%[1] and 2.9%[2] respectively. The macro energy complex was significantly weaker too, with, for example, benchmark oil and liquified natural gas prices falling by 18% and 38%[3] respectively. Annual inflation rates in advanced economies fell from an average of 7.3%[1] in 2022 to 4.6%[1] in 2023, starkly contrasting with sub-Saharan Africa where inflation rose year-on-year to 16.2%[1] versus 14.5%[1] last year. The latter was caused largely by the former countries' loose monetary policies[4] and resulted in a broadly proportionate depreciation in the value of non-indexed African currencies which depreciated against the US Dollar by an average of 16%[5].

The seven energy Supermajors reported US$129.3 billion of profit in 2023 (-29% year-on-year)[6], largely driven by the softening macroeconomic environment, while their aggregate annual production volume fell by a modest 1.2%. The major energy companies' business plans were also revised with CEO commentary across the board focusing on the critical role energy and, in particular, energy generated from hydrocarbons, plays in the global economy. This was reflected in the Supermajors' near-term projected capital expenditures for transition projects reducing relative to their projected capital expenditures for fossil fuel projects, with a consequent increased role for hydrocarbons in their pre-2030 business mixes than had been suggested in prior year CEO commentaries.

Savannah's financial performance was significantly ahead of the guidance we provided at the beginning of the year. We reported Total Revenues[(a)] of US$261 million (versus guidance of greater than US$235 million and US$290.4 million last year), Operating and administrative expenses[(f)] of US$68.8 million (versus guidance of less than US$75 million and US$66.2 million last year) and Adjusted EBITDA of US$184.1 million (2022: US$223.6 million). Our Adjusted EBITDA margin, therefore, remained industry leading at 71% compared to the Supermajors' average margin of 20%[6]. The 10% year-on-year decline in Total Revenues[(a)] was significantly driven by lower gas invoicing due to a planned maintenance programme we conducted at our production facilities in Nigeria (a regulatory requirement coinciding with the 10-year anniversary of the commencement of operations).

At the Nigerian business unit level, we recorded Adjusted EBITDA[(c)] of US$213.9 million (-13% year-on-year) and an Adjusted EBITDA[(c)] margin of 82%. The US$29.8 million difference between the Group and our Nigerian business Adjusted EBITDA[(c)] numbers largely reflects the central costs of running the business, the investments we are making in our pre-revenue renewables business and the build-up of corporate infrastructure necessary to support our significant future organic and inorganic growth plans. A substantial portion of these central costs in the year related to the establishment of the infrastructure needed to support the operations in Chad and these costs would ordinarily have been charged to these entities. However, following the Nationalisation, the costs remained at the corporate level - we have taken steps to reduce these costs in FY 2024, while continuing to maintain the necessary infrastructure to support our growth plans.

In 2023, 90% of our revenue stream was derived from fixed price gas sales agreements with no cyclical exposure to oil or international gas prices. Over the last seven years our Nigerian business has achieved an annualised Total Revenues[(a)] compound annual growth rate ("CAGR") of 15.7%. This Total Revenues[(a)] growth compares favourably to the long-term trend CAGR of the wider UK stock market constituents of 4.6%. Further, since the announcement of our decision to acquire our Nigerian business in 2017, we have more than doubled the number of customers. We are now contracted to supply gas to enable approximately 20% of Nigeria's thermal power generation capacity (up from approximately 10% at the time of acquisition)[7], as well as to key petrochemical and cement factories. We are clearly performing a critical service to the Nigerian economy. Over the same period our operational performance has been equally robust, with an estimated 99% uptime versus plan at our Uquo CPF.

The build out of our pre-revenue Renewable Energy Division continued in 2023 as the 500 MW of projects we had intended to pursue in Chad were replaced by up to 446 MW of new solar, hydro and wind projects in other African countries. We intend to provide more details on the individual projects we are developing within our Renewable Energy Division at a strategy presentation later in 2024. At the time of writing, we have up to 696 MW of renewable projects in motion.

On a pro forma basis we increased training hours per employee by 24% on a broadly flat headcount. We intend to continue to invest in our people and infrastructure as we pursue our goal of potentially quadrupling the scale of our business over the course of the coming years.

As always, we maintained our strong focus around safe operational delivery. In 2023 we recorded an exceptional Lost Time Injury Rate ("LTIR") of zero and a Total Recordable Incident Rate ("TRIR") of zero per 200,000 working hours. Our performance against key sustainability metrics remained equally industry-leading. Our carbon emissions were 45% lower than the industry average of 19.4 kg CO_2e/boe at 10.7 kg CO_2e/boe. Our senior management female gender diversity was 33%, while our local employee ratios in our countries of operation were maintained at 99% for Nigeria and 100% for Niger.

Key highlights
Niger

Following the change of government in Niger in July 2023, the country achieved first oil exports through the 1,950 km Niger-Benin oil export pipeline in Q2 2024. At the time of writing, the pipeline is now reported to be fully operational and transporting approximately 90 Kbopd from China National Petroleum Corporation's Agadem licence area to the Port of Cotonou in Benin. This increased production is expected to accelerate Niger's economic growth by an estimated 27% and exports by 89% respectively in 2025 versus 2023 levels[10].

From a Savannah perspective, commissioning of the pipeline provides a clear route to international markets for crude oil produced from our R1234 contract area. We expect to commence a comprehensive flow testing programme in late 2024 of the main oil fields included in our c. 35 MMstb R3 East field development plan (the "FDP"). This flow testing programme is expected to enable us to fine tune and optimise the FDP, ahead of expected first commercial oil production in H2 2025/H1 2026. The NPV of the initial R3 East development project has been assessed at US$150 million[11].

We made significant progress on our up to 250 MW Parc Eolien de la Tarka wind farm project, located in the Tahoua Region of southern Niger. We have now completed the principal studies required to enter into a definitive concession agreement with the Government of Niger. We submitted our Environmental Social Impact Assessment ("ESIA") scoping report to the National Bureau of Environmental Evaluation post-year end in Q1 2024. During H2 2024 we plan to continue the ongoing ESIA fieldwork and complete the additional studies required for the submission of the full ESIA report. We hope to achieve project sanction in 2025 with first power delivery in 2027. We have also signed agreements with two leading international Development Finance Institutions to fund approximately two-thirds of the pre-construction development costs of the project. The project is anticipated to supply up to 22% of Niger's electricity demand, based on the country's projected energy demand in 2026 (which is expected to grow significantly between today and 2026).

In May 2023 we signed an agreement for the potential development of two solar photovoltaic power plants in the areas around the cities of Zinder and Maradi, also in southern Niger, with a combined installed power generation capacity of up to 200 MW. These projects are now operating on a timeline with a sanctioning decision expected in 2025, for first power in 2027. These projects are expected to supply up to 12% of Niger's electricity demand based on 2026 energy demand projections.

Our wind and photovoltaic renewable projects in development in Niger would therefore be capable of supplying up to 34% of Niger's electricity demand at the commencement of project operations.

Nigeria

Post-year end we announced plans to increase our effective economic interest in the Stubb Creek oil and gas field in Nigeria from 51% to 100%, through the acquisition of our Nigerian subsidiary Universal Energy Resources's joint venture partner SIPEC. This acquisition will increase Savannah's net 2P and 2C Reserves and Resources base by 29% from 157.6 MMboe to 203.4 MMboe for a total consideration of US$61.5 million, an effective cost of US$1.3/boe[12].

In January 2024, our Nigerian midstream subsidiary, Accugas, signed an agreement with a consortium of five Nigerian banks to provide a new NGN340 billion term facility (the "Transitional Facility"). This refinancing will enable us to align the currency of Accugas' principal revenue streams with its debt service obligations and is intended to provide much greater financial flexibility for the business in future years.

Throughout 2023 we progressed the US$45 million compression project at our Uquo CPF, which will enable us to further grow our gas production levels over the course of the coming years. At the time of writing, the project remains on track and on budget, and is expected to be completed and operational in H2 2024.

The investment we made in the Nigerian energy investment company Fenisko (previously known as Lekoil Limited), performed well in 2023. In 2022, Savannah invested approximately US$1 million in Fenikso and, under the terms of the restructuring agreements subsequently negotiated between Savannah and Fenikso, we received an entitlement to payments totalling up to US$16.3 million for the following nine year period. At the time of writing Savannah has fully recovered our investment, with payment receipts totalling US$2.9 million to date.

Cameroon

In Cameroon progress has continued apace on Savannah's Bini a Warak hybrid hydroelectric and solar project since the signing of the Memorandum of Agreement with the Government of the Republic of Cameroon on 20 April 2023. The project involves the construction of a hydroelectric dam on the Bini River, located in the northern Adamawa Region of Cameroon, and is expected to increase current on-grid electricity generation capacity in northern Cameroon by over 50%.

During 2023, design optimisation studies were completed which identified opportunities for improvement on the original project design, reducing its environmental and social impact and lowering the cost per kilowatt hour. In particular, the redesign incorporates photovoltaic solar into the project, raising its installed power generation capacity from 75 MW to 95 MW. Hydropower production will adapt to photovoltaic solar production levels, enabling a combined stable level of energy generation throughout the day. The redesign is also expected to reduce dam water levels, thereby lowering the flooded surface area by around 50% and reducing the impact on local communities.

The proposed redesign was presented to Cameroon's Ministry of Water and Energy in December 2023 and was subsequently approved by the Minister of Water and Energy, His Excellency Gaston Eloundou Essomba. A project sanction decision is currently anticipated in early 2026, with first power targeted in the 2027 to 2028 window.

We also agreed to sell a 10% interest in COTCo to the national oil company of Cameroon, Société Nationale Des Hydrocarbures, for consideration of US$44.9 million plus accrued dividends[13, 14].

Chad

Our wholly owned subsidiary, Savannah Chad Inc ("SCI"), commenced arbitral proceedings against the Government of the Republic of Chad and its instrumentalities in response to the March 2023 nationalisation of SCI's rights in the Doba fields in Chad, and other breaches of SCI's rights. Our other wholly owned subsidiary, Savannah Midstream Investment Limited ("SMIL"), commenced arbitral proceedings in relation to the nationalisation of its investment in TOTCo, the Chadian company which owns and operates the section of the Chad-Cameroon pipeline located in Chad. SMIL has also commenced arbitral and other legal proceedings for breaches of SMIL's rights in relation to COTCo, the Cameroon company which owns and operates the section of the Chad-Cameroon pipeline located in Cameroon.

We expect the arbitral proceedings to be concluded in the second half of 2025. SCI and SMIL are claiming in excess of US$840 million for the nationalisation of their rights and assets in Chad, and SMIL has a claim valued at approximately US$380 million for breaches of its rights in relation to COTCo. Whilst the Government of the Republic of Chad has acknowledged SCI's and SMIL's right to compensation, no compensation has been paid or announced by the Government of the Republic of Chad to date. We believe the assets have suffered because of the nationalisation, with the Government of the Republic of Chad's own figures suggesting that Doba field oil production has fallen by 25%[15] . This contrasts substantially with the planned 20% increase in production Savannah had anticipated over the same period and equates to an estimated more than US$235 million annualised loss of potential tax revenue for the Government of the Republic of Chad.

Further, as a result of the actions of the Government of the Republic of Chad, Savannah is no longer actively pursuing the up to 500 MW of renewable power generation projects in Chad. These projects were the subject of a Memorandum of Understanding signed on 26 May 2022 by the Government of the Republic of Chad and Savannah in the presence of the Ambassador of the United Kingdom to the Republic of Chad. The projects had attracted significant interest from Development Finance Institutions wishing to partner with us and we believe would have increased electricity access rates in the country by over 200%. As discussed above, our Renewable Energy Division has successfully replaced these planned projects with new projects we are pursuing in other African countries.

Savannah remains ready and willing to discuss with the Government of the Republic of Chad an amicable solution to the disputes. However, in the absence of such discussions, the Group intends to vigorously pursue its rights in the arbitrations.

South Sudan

We continue to progress the planned acquisition of PETRONAS assets in South Sudan. In 2023 the assets produced 149 Kbopd (gross) of crude oil[16]. Savannah has already undertaken significant preparation work associated with the completion of this acquisition, which is now targeted for Q3 2024.

Key focus areas for the coming years

Over the course of the coming years, I expect there to be several key focus areas for the business. These include:

- **Significant expansion of our Renewable Energy Division.** We expect to have up to 1 GW+ of renewable energy projects in motion by end 2024 and up to 2 GW+ by end 2026. Our confidence in these targets is driven by the pipeline of projects we are working on and expect to be in a position to announce in H2 2024 and the robust growth dynamics underpinning the African power market on both the supply and demand sides of the equation (i.e. low existing electricity access rates and high population growth rates).Over time, I believe that our renewable energy business will evolve to be a high growth business characterised by contractually long-dated, geographically diversified cashflows;

- **Further hydrocarbon acquisitions.** The major energy companies are estimated to have in excess of US$169 billion[17] of upstream oil and gas assets in Africa and most have significant upstream asset divestment programmes. Savannah is strongly positioned to continue to participate in these divestment programmes, given our operating capabilities, regional reputation and access to capital. Post-deal we would expect to act as strong asset stewards delivering better underlying operational performance and improvements in unit carbon intensity (within the limitations of the underlying assets) compared to the previous asset owners;
- **The refinancing of our US$342 million Accugas debt facility.** Our intention remains to redenominate the current US Dollar-denominated facility to a multi-tranche Naira-denominated facility, extending the average maturity to beyond 2030 and reducing the facility cost in Dollar equivalent terms;
- **Progressing the R3 East Development project**. As noted previously, we intend to commence a flow testing programme on the key R3 East area fields in Q4 2024 with first commercial oil production anticipated during H2 2025/H1 2026;
- **Increasing oil production at Stubb Creek**. Following completion of the SIPEC Acquisition, we plan to implement a de-bottlenecking programme at the Stubb Creek processing facilities. It is anticipated that within 12 months of the completion of the acquisition, this will lead to the more than doubling of Stubb Creek gross oil production to approximately 4.7 Kbopd; and
- **Resolution of the Chad disputes.** As discussed above, SCI and SMIL have claims valued in excess of US$1 billion in aggregate in the Chad disputes with the legal arbitrational processes scheduled to conclude by end 2025.

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

It is also important to emphasise that our investment decisions are first and foremost driven by expected risk-adjusted returns criteria and all projects and transactions that we pursue are subject to rigorous analysis and due diligence in this regard.

How we see the African Energy Transition

As in previous years’ shareholder letters, I have chosen to discuss how we see the African Energy Transition. Before turning to discuss this, I feel it is important to emphasise that this is only one of several important contributing beliefs driving what Savannah does as a company. On pages 10 to 19 of the Annual Report and Accounts 2023 we have outlined in detail “Why we do what we do”. In that section we discuss our corporate purpose and associated core beliefs which serve to underpin our hydrocarbons AND renewables strategy and business model. In simple terms, the section explains why energy poverty in Africa is the principal problem our Company is seeking to help solve and why we believe this problem is one of the most urgent and important problems facing the world today. I would urge any reader interested in really understanding our Company to read this section, especially if they are from a rich world background and perhaps less intuitively understand the realities of the everyday challenges facing the 600 million people who are defined by the World Bank as living in extreme poverty (i.e. have incomes of less than US$2.15/day)[18].

Energy is critical to enabling and sustaining people’s quality of life. People without access to energy are dramatically poorer than those with access to energy. For example, Niger is ranked 189 out of 193 on the UN Human Development Index[19] (“UN HDI”) with a GDP per capita of US$1,187[20] and power consumption per capita of 410 kWh[21]. The United States of America on the other hand is ranked 20 out of 193 on the UN HDI with GDP per capita of US$63,670 and power consumption per capita of 76,989 kWh, 5,266% and 18,689% higher respectively. A similar pattern emerges when we look at the relationship between power consumption and other key quality of life barometers such as life expectancy and lifetime health outcomes.

Over 75% of today’s global energy mix is provided by hydrocarbons with 53%[22] of this provided by oil and gas. The scale of investment required to sustain the “status quo” global quality of life is immense. Global non-financial capital expenditures for the energy sector amount to 42% of all global capex[23]. The world clearly, therefore, requires oil and gas today, and is prepared to pay vast amounts of money to enable this. The extent to which the world requires oil and gas in the future will depend on the absolute and relative rate of renewable energy and carbon mitigation technological improvements, and the absolute and relative rate of adoption of these improvements. In this regard, the quote by John Kerry (The former US Climate Change Envoy), which I have cited in my last three shareholder letters, remains pertinent – “I am told by scientists that 50% of the reductions we have to make by 2050 or 2045 are going to come from technologies we don’t have yet.”

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

In this regard, when we look at the forecast future energy mix, there is currently a big difference between the trend case (i.e. what forecasters are suggesting will actually happen) versus the net zero 2050 case. Essentially the world appears to be on track to have around 52-54%[24] of its energy mix in 2050 to be provided by oil and gas, which, given likely energy demand growth over the course of the next 26 years, suggests that actual oil and gas demand is currently not on trend to fall significantly over the period.

The foregoing contrasts dramatically with the many net zero forecasts which generally see the total share of fossil fuel supply falling to just over 20% of the global energy mix by 2050[25].

Further, it is likely that lower income countries, where the ability to pay for renewable energy infrastructure is lowest and the need for low-priced energy to deliver life changing economic growth is highest, will see hydrocarbons form a much greater part of their energy mix in 2050 than in the developed world. This point is demonstrated well by the adjacent map. On average, only 57% of Africa's entire population has access to on-grid electricity (falling to 51% if South Africa, Egypt and Algeria are excluded), with the electricity access rate in our countries of active operations estimated at 65% for Cameroon, 19% for Niger and 60% for Nigeria. For much of Africa, the primary issue is around people being given access to reliable and affordable power, period.

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

Closing thoughts

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

2023 clearly demonstrated the robustness of our business model, corporate capacity and corporate infrastructure. Our core business continued to perform strongly, while we have progressed our projects in Niger during a period of political change, managed the impact of the nationalisation of our Chad Assets to ensure that we receive the value we are due, progressed two separate hydrocarbon acquisitions which are material to our business, continued to grow our renewable energy business and positioned ourselves strongly to announce and progress further new and exciting projects in 2024. We have invested heavily to create a growth and performance orientated pan-African company with a diversified asset base. In 2023 we clearly saw the benefits of this.

Lastly, I would like to express my gratitude to all those who contributed to our successes in 2023 - my incredibly dedicated and passionate colleagues, our host governments, communities, local authorities and regulators, our shareholders and lenders, and our customers, suppliers and partners. Thank you all.

Andrew Knott
Chief Executive Officer
6 June 2024

Financial review
Positioning the business for growth

Performance against market guidance 2023

	Full Year 2023 Actuals US$ million	Full Year 2023 Guidance US$ million
Total Revenues[(a)]	**260.9**	>235
Operating expenses plus administrative expenses[(f)]	**68.8**	<75
Capital expenditure	**13.0**	Up to 30

Year in summary
Our Nigerian business continued to perform strongly in 2023 and the Group overall outperformed the guidance we set for the year. We continue to position the business for growth in both the hydrocarbons and renewables business whilst maintaining a focus on efficiencies.

Total Revenues[(a)] were US$260.9 million (2022: US$290.4 million) with a resulting Adjusted EBITDA[(c)] of US$184.1 million (2022: US$223.6 million). The reduction is a result of lower gas invoicing during the year largely due to the planned maintenance programme which took place in the second half of 2023 (including a planned 10-year anniversary regulatory inspection which required full shutdown of the Uquo CPF). Savannah continues to supply gas to enable in excess of 20% of Nigeria's thermal power generation capacity (up from 10% at the time of our decision to acquire the Nigerian business in 2017) and is also an important supplier to both the fertiliser and cement sectors.

Our Nigerian business is underpinned by long-dated, take-or-pay contracts which have no linkage to commodity pricing and provide long-term, predictable cash flows. At the end of 2023 we had over US$3.5 billion of future contracted revenues with an average weighted remaining contract life of almost 14 years.

We continue to invest in our key infrastructure; for example, the US$45.0 million Uquo gas compression project is well progressed which will enable us to increase gas production volumes in the years ahead. The total incurred expenditure as at the end of 2023 was US$23.5 million and the project remains on-budget and on-track for completion in the second half of 2024.

In early 2024, Accugas signed an agreement with a consortium of five Nigerian banks to provide a new NGN340 billion term facility (the "Transitional Facility"). The Transitional Facility is being progressively drawn down in 2024 and utilised towards repayment of the existing Accugas US$ Facility. This is the first step in the previously announced refinancing plan which will align the currency of Accugas' principal revenue cash collections with its debt service obligations, significantly reducing the Group's foreign exchange exposure.

In 2023, we saw significant volatility in the Nigeria currency markets with an unprecedented level of Naira devaluation, the value of the Naira at year end being approximately 50% lower than at the start of the year. This trend has continued into 2024. This devaluation resulted in a foreign exchange loss for the year of US$104.7 million (2022: US$28.9 million). Our customers pay for gas predominantly in Naira however under the terms of the GSA with our principal customer, the exchange losses realised can be invoiced via a true-up mechanism.

Our total cash receipts for the year were impacted by a delayed payment from a customer which was received in early January 2024 (expected in December 2023). Had this payment of US$97.8 million been received as expected, then this would clearly have resulted in a higher cash balance and lower leverage at year end.

As previously disclosed, the Government of the Republic of Chad passed a law on 31 March 2023 confirming the Nationalisation of the Group's Chad Assets. Following this Nationalisation, all of the Group's operations for the Chad Assets have been recognised as discontinued operations in line with IFRS 5 for the current year. The net profit and total comprehensive profit from discontinued operations amounted to US$89.0 million, which is shown as a single line in the consolidated statement of comprehensive income. We have commenced ICC arbitral proceedings against the Government of the Republic of Chad to seek full recompense for the loss that we have and will suffer as a result of the Nationalisation of the Chad Assets (further details are in Notes 2, 14 and 15 of the financial statements).

As required under accounting standards, the 2022 consolidated statement of comprehensive income has been restated to exclude the impact of discontinued operations. The consolidated statement of financial position and the consolidated statement of cash flows are not required to be restated (further details are set out in note 2 to the financial statements).

Key performance metrics summary

	Full Year 2023	Full Year 2022
Gross production, Kboepd	**23.6**	26.8
Total Revenues[(a)], US$ million	**260.9**	290.4
Revenue, US$ million	**224.2**	212.5
Average oil and gas sales price, US$/Mscfe	**4.51**	4.14
Operating expenses plus administrative expenses[(f)], US$ million	**68.8**	66.2
Operating expenses plus administrative expenses[(f)], US$/Mscfe	**1.4**	1.2
Closing cash balances, US$ million	**107.0**	240.9
Adjusted EBITDA[(c)]	**184.1**	223.6
Net debt[(g)], US$ million	**473.7**	404.9
Leverage[(h)]	**2.6x**	1.8x

Consolidated statement of comprehensive income

Revenue

Revenue during 2023 was US$224.2 million (2022: US$212.5 million), an increase of 5% driven largely by increased gas prices. Gas revenue was approximately 90% of the total at US$202.7 million (2022: US$181.1 million) with US$20.5 million (2022: US$29.8 million) being derived from oil and condensate sales. US$0.9 million (2022: US$1.6 million) was for processing of third-party crude oil.

Gas is sold under a mixture of short and long-term gas sales agreements, all of which have individually agreed prices defined in US Dollars, with certain long-term contracts adjusted annually for consumer price indexation. The majority of our gas sales contracts are supported by investment grade[(e)] guarantees, including a World Bank Partial Risk Guarantee for the Calabar power station gas sales contract.

The weighted average sales price for the year was up 9% to US$4.51/Mscfe (2022: US$4.14/Mscfe).

Impact of take-or-pay accounting rules under IFRS 15: Total Revenues[(a)]

Revenue recognition for our gas sales agreements is impacted by the take-or-pay accounting rules under IFRS 15. Under take-or-pay contracts, customers agree to buy a minimum amount of gas from us each year. This gas is either delivered to them, or the volume not taken (which is described as make-up gas) is effectively prepaid for by the customer for potential delivery in future periods. During 2023, our customers took less gas than they had contracted to buy, so there was a difference between invoiced oil and gas sales of US$260.9 million (Total Revenues[(a)]) and Revenue as reported in our consolidated statement of comprehensive income of US$224.2 million.

Revenue in our Consolidated statement of comprehensive income of US$224.2 million only reflects the value of oil and gas actually delivered, with the difference of US$36.7 million reported as an increase in Contract liabilities (“deferred revenue”) in the consolidated statement of financial position, net of any make-up gas that is consumed, plus other invoiced amounts.

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

We report Total Revenues[(a)] as management believes that this is a more meaningful method of describing the cash generation capacity of the business.

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

Operating expenses plus administrative expenses[(f)]

Operating expenses plus administrative expenses[(f)] for the year were US$68.8 million (2022: US$66.2 million) which compared favourably with guidance of up to US$75 million and the 4% increase is also well below the 9% increase seen in average sales prices in the year.

Depreciation, depletion and amortisation (“DD&A”) amounted to US$38.4 million (2022: US$39.0 million) made up of US$14.7 million (2022: US$16.2 million) for infrastructure assets, which are depreciated on a straight-line basis over their estimated useful life and US$20.1 million (2022: US$20.6 million) for upstream assets, which are depreciated on a unit of production basis, plus US$3.6 million (2022: US$2.2 million) for other assets and right-of-use assets.

Other operating income

Other operating income of US$28.9 million (2022: US$7.8 million) relates to amounts invoiced under the true-up mechanism in certain GSA’s which allow for recovery of realised foreign exchange losses.

Adjusted EBITDA

Adjusted EBITDA[(c)] was US$184.1 million (2022: US$223.6 million), the result being impacted by the 10% reduction in Total Revenues[(a)] for the year following a planned maintenance programme conducted at our production facilities in Nigeria (a regulatory requirement coinciding with the 10-year anniversary of the commencement of operations).

Finance costs
Finance costs for the year amounted to US$102.7 million (2022: US$78.9 million), of which US$83.2 million (2022: US$62.3 million) related to bank and loan note interest expense. The average interest rate on debt for the Group was 14.1% (2022: 12.0%), due to higher average US LIBOR rates in 2023.

Foreign exchange losses
Foreign exchange losses amounted to US$104.7 million (2022: US$28.9 million). US$67.8 million (2021: US$12.4 million) are unrealised losses on Naira monetary assets and liabilities (mainly cash balances) which occurred following the devaluation seen in Naira during the year. The official Naira/US$ exchange rate weakened over the course of 2023 from approximately Naira 450/US$ at the start of the year to approximately Naira 900/US$ at year end.

Realised foreign exchange losses amounted to US$36.9 million (2022: US$16.6 million). The majority of these losses can be recovered through the true-up mechanism as described above.

Consolidated statement of financial position

Receivables and payables
Trade and other receivables amounted to US$370.9 million (2022: US$239.3 million) which primarily consists of amounts due from gas customers in Nigeria. As noted earlier there was a material payment of US$97.8 million which was delayed from 2023 into early 2024 – had this been received as expected at the end of 2023, then the receivables balance would have been approximately US$274.9 million.

Trade and other payables amounted to US$108.0 million (2022: US$122.1 million) which will be settled in the normal course of business.

Debt
The net debt[g] at year end was US$473.7 million (2022: US$404.9 million), an increase of 17% year-on-year. During 2023, US$84.2 million of debt was repaid however the devaluation of Naira denominated cash balances led to an increase in net debt[g].

Work continued during the year on the proposed refinancing of the Accugas US$ Facility. The intention remains for this to be refinanced into a Naira denominated borrowing structure to match the currency in which revenues are received in Nigeria. The Transitional Facility was signed early in 2024 and is being progressively drawn down with funds then converted to US$ to repay the Accugas US$ Facility. This process is well underway. Pending completion of the Transitional Facility, at balance sheet date the Group continued to hold Naira denominated cash balances in order to be used to service US$ denominated debt.

Details of the debt facilities available to the Group are in Note 12 of the financial statements. It is worth noting the treatment of the debt facility entered into to finance the acquisition of the Chad and Cameroon Assets. Despite the Nationalisation there remains an outstanding balance of US$119.3 million at the year end. Of this amount only US$34.0 million is recourse to the Company with the remainder being fully non-recourse.

We remain comfortable with the Leverage[h] position of the Group which is at a conservative level given the long-dated (14-year) gas sales contracts in place and the high-quality, long-life asset base.

Leverage[h]

	2023 US$ million	2022 US$ million
Adjusted EBITDA[c]	**184.1**	223.6
Net debt[g]	**473.7**	404.9
Leverage (times)	**2.6**	1.8

Consolidated statement of cash flows

The Cash Flow Statement includes the results from discontinued operations.

As noted above, during 2023 cash balances decreased to US$106.9 million (2022: US$240.8 million). The decrease has been accentuated by the delayed customer payment and had this US$97.8 million been received as anticipated in December 2023 (rather than January 2024) the cash balance would have been $204.1 million. Cash balances reduced in the year despite the strong operational performance due to a combination of debt repayments of US$84.2 million (2022: US$44.0 million) and the unrealised foreign exchange loss resulting from Naira devaluation of US$81.8 million (2022: US$16.9 million).

Capital expenditures for the year of US$13.0 million (2022: US$23.6 million) relate largely to the compression project at the Uquo CPF and during the year, US$44.9 million was received from SNH in relation to a 10% interest in COTCo[1,2].

Going concern

The Group places significant importance in managing its liquidity position and ensuring that all parts of the business have appropriate funding as needed to meet their obligations. The Directors have reviewed the Group's forecasted cash flows as well as the funding requirements of the Group for the period to 31 October 2025. 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.

In addition to the base case which assesses the Group’s going concern for its existing business, the Group has also separately assessed the impact on the Group’s going concern assumption with respect to its proposed acquisitions of the South Sudan Assets and SIPEC which are expected to complete in the second half of 2024.

The Directors recognise the range of risks facing the business on an ongoing basis, as set out in the risk section on page 100 of this Annual Report.

Notwithstanding the risks across the Group, both the base case forecasts and sensitised scenarios confirm that the Directors believe that the Group and each subsidiary company has sufficient liquidity to continue as a going concern for the period to 31 October 2025.

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

2024 financial guidance and outlook

In 2024, we are providing the following guidance in relation to the Group. This guidance does not include any contribution from proposed acquisitions:

- Total Revenues[(a)] greater than US$245 million;
- Operating expenses and administrative expenses[(f)] of up to US$75 million; and
- Capital expenditure of up to US$50 million.

Nick Beattie
Chief Financial Officer
6 June 2024

Consolidated statement of comprehensive income

for the year ended 31 December 2023

	Note	2023 US$'000	2022 US$'000
Continuing operations			
Revenue	3a	**224,175**	212,498
Cost of sales	4	**(77,818)**	(73,156)
Gross profit		**146,357**	139,342
Other operating income	3b	**28,877**	7,767
Administrative and other operating expenses		**(42,129)**	(39,527)
Gain on disposal		**—**	7,372
Transaction and other related expenses		**(13,248)**	(14,487)
Expected credit loss and other related adjustments		**16,703**	(39,495)
Operating profit		**136,560**	60,972
Share of profit from associates		**4,400**	160
Finance income		**3,216**	1,068
Finance costs	5	**(102,655)**	(78,870)
Fair value through the profit or loss and other adjustments		**(5,706)**	(8,134)
Foreign exchange loss	6	**(104,713)**	(28,925)
Loss before tax		**(68,898)**	(53,729)
Current tax expense		**(5,822)**	(9,487)
Deferred tax credit		**(1,311)**	4,801
Total tax expense		**(7,133)**	(4,686)
Loss after tax		**(76,031)**	(58,415)
Discontinued operations			
Profit/(loss) after tax from discontinued operations		**89,040**	(5,659)
Total profit/(loss)		**13,009**	(64,074)
Other comprehensive income			
Items not reclassified to profit or loss:			
Actuarial (loss)/gain relating to post-employment benefits		**(128)**	100
Tax relating to items not reclassified to profit or loss		**48**	(33)
Other comprehensive (loss)/profit		**(80)**	67
Total comprehensive income from continuing and discontinued operations		**12,929**	(64,007)
Total profit/(loss) after tax attributable to:			
Owners of the Company		**14,855**	(61,334)
Non-controlling interests		**(1,846)**	(2,740)
		13,009	(64,074)
Total comprehensive income attributable to:			
Owners of the Company		**14,786**	(61,281)
Non-controlling interests		**(3,257)**	(2,726)
		12,929	(64,007)
Loss per share from continuing operations			
Basic (US$)	7	**(0.06)**	(0.04)
Diluted (US$)	7	**(0.06)**	(0.04)
Earnings/(loss) per share from continuing and discontinued operations			
Basic (US$)	7	**0.01**	(0.05)
Diluted (US$)	7	**0.01**	(0.05)

Consolidated statement of financial position

as at 31 December 2023

	Note	**2023 US$'000**	2022 US$'000
Assets			
Non-current assets			
Property, plant and equipment	8	**476,144**	623,118
Intangible assets		**174,707**	183,013
Investment in associates		**—**	188,350
Financial investment		**139,459**	—
Deferred tax assets		**227,318**	234,666
Right-of-use assets		**2,648**	3,658
Restricted cash		**29**	28
Other non-current receivables		**9,879**	7,032
Total non-current assets		**1,030,184**	1,239,865
Current assets			
Inventory		**7,143**	40,374
Trade and other receivables	9	**370,857**	239,346
Cash at bank	10	**106,941**	240,888
Total current assets		**484,941**	520,608
Total assets		**1,515,125**	1,760,473
Equity and liabilities			
Capital and reserves			
Share capital		**1,836**	1,828
Share premium		**126,824**	124,819
Treasury shares		**(136)**	(136)
Other reserves		**531**	531
Share-based payment reserve		**14,717**	9,974
Retained earnings		**110,726**	95,940
Equity attributable to owners of the Company		**254,498**	232,956
Non-controlling interests		**9,259**	11,116
Total equity		**263,757**	244,070
Non-current liabilities			
Other payables	11	**2,030**	7,712
Borrowings	12	**213,469**	102,392
Lease liabilities		**1,998**	3,453
Deferred tax liabilities		**—**	27,605
Provisions		**49,256**	94,845
Contract liabilities		**346,490**	314,018
Total non-current liabilities		**613,243**	550,025
Current liabilities			
Trade and other payables	11	**108,000**	279,448
Borrowings	12	**367,199**	543,397
Interest payable		**136,090**	105,600
Tax liabilities		**6,384**	18,513
Lease liabilities		**2,798**	1,626
Contract liabilities		**17,654**	17,792
Total current liabilities		**638,125**	966,376
Total liabilities		**1,251,368**	1,516,402
Total equity and liabilities		**1,515,125**	1,760,473

Consolidated statement of cash flows
for the year ended 31 December 2023

	Note	**2023 US$'000**	2022 US$'000
Cash flows from operating activities:			
Net cash generated from operating activities	13	**33,223**	75,693
Cash flows from investing activities:			
Interest received		**1,716**	881
Payments for property, plant and equipment		**(10,267)**	(18,191)
Exploration and evaluation payments		**(2,683)**	(5,375)
Loans and advances - receipts		**2,195**	—
Acquisition deposits		**—**	(19,648)
Proceeds from disposal		**44,900**	—
Loans and advances - payments		**(5,012)**	(1,067)
Lessor receipts		**538**	286
Cash from/(to) debt service accounts		**77,934**	(29,836)
Cash acquired on acquisition of a subsidiary		**—**	95,596
Net cash from investing activities		**109,321**	22,646
Cash flows from financing activities:			
Finance costs		**(36,509)**	(38,528)
Proceeds from issues of equity shares, net of issue costs		**2,011**	61,141
Sale of treasury shares		**—**	73
Borrowing proceeds		**2,850**	12,810
Borrowing repayments		**(84,213)**	(57,008)
Lease payments		**(939)**	(1,474)
Net cash used in financing activities		**(116,800)**	(22,986)
Net increase in cash and cash equivalents		**25,744**	75,353
Effect of exchange rate changes on cash and cash equivalents		**(81,757)**	(16,945)
Cash and cash equivalents at beginning of year		**104,147**	45,739
Cash and cash equivalents at end of year	10	**48,134**	104,147
Amounts held for debt service at end of year	10	**58,807**	136,741
Cash at bank at end of year as per Statement of Financial Position	10	**106,941**	240,888

Consolidated statement of changes in equity
for the year ended 31 December 2023

	Share capital US$'000	Share premium US$'000	Shares to be issued US$'000	Treasury shares US$'000	Other reserves US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Equity attributable to the owners of the Company US$'000	Non – controlling interest US$'000	Total equity US$'000
Balance at 1 January 2022	1,409	61,204	63,956	(58)	458	8,706	157,221	292,896	13,842	306,738
Loss after tax	—	—	—	—	—	—	(61,334)	(61,334)	(2,740)	(64,074)
Other comprehensive income	—	—	—	—	—	—	53	53	14	67
Total comprehensive income	—	—	—	—	—	—	(61,280)	(61,280)	(2,727)	(64,007)
Transactions with shareholders:										
Shares issued	419	63,615	(63,956)	(78)	—	—	—	—	—	—
Sale of treasury of shares	—	—	—	—	73	—	—	73	—	73
Equity-settled share-based payments	—	—	—	—	—	1,268	—	1,268	—	1,268
Balance at 31 December 2022	1,828	124,819	—	(136)	531	9,974	95,940	232,956	11,116	244,072
Profit/(loss) after tax	—	—	—	—	—	—	14,855	14,855	(1,846)	13,009
Other comprehensive loss	—	—	—	—	—	—	(69)	(69)	(11)	(80)
Total comprehensive income	—	—	—	—	—	—	14,786	14,786	(1,857)	12,929
Transactions with shareholders:										
Shares issued	8	2,005	—	—	—	—	—	2,013	—	2,013
Equity-settled share-based payments	—	—	—	—	—	4,743	—	4,743	—	4,743
Balance at 31 December 2023	**1,836**	**126,824**	**—**	**(136)**	**531**	**14,717**	**110,726**	**254,498**	**9,259**	**263,757**

Notes to the financial statements
for the year ended 31 December 2023

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

2. Basis of preparation
The Financial Statements of the Group and the Company have been prepared in accordance with UK-adopted IAS. These Financial Statements incorporate the results for the year ended 31 December 2023 and have been prepared under the historical cost convention except for financial instruments measured at fair value through profit or loss, employee benefits and derivative financial instruments which have been measured at fair value.

The accounting policies applied are consistent with those adopted and disclosed in the Group's audited consolidated financial statements for the year ended 31 December 2022. There have been a number of amendments to accounting standards and new interpretations issued by the International Accounting Standards Board which were applicable from 1 January 2023, and have certain impacts on the accounting policies, methods of computation or presentation applied by the Group. Further details on new International Financial Reporting Standards adopted will be disclosed in the Annual Report.

As a result of the Nationalisation, the Company has not been able to fully access underlying financial information, nor have access to the relevant Chad-based employees of the affected entities to prepare financial information for audit purposes to be consolidated into the Group's financial statements for the years ended 31 December 2023 and 2022. The Group's auditor has therefore been unable to conduct a complete audit on these entities for the years ended 31 December 2023 and 2022. Therefore, the activities of the Chad Assets have been considered as a discontinued operation, in accordance with IFRS 5: Non-current Assets for Sale and Discontinued Operations, from 31 March 2023. This is without prejudice to Group's claims for compensation in respect of the Nationalisation.

Despite the limitation noted above, the financial information that has been disclosed for the Chad Assets in the current and prior year was primarily sourced from bank statements and any financial records and supporting documents that were available before the date of Nationalisation. The Directors considered the best way to record and present transactions during the year and agreed that the most reliable basis to record any transactions was on a cash accounting basis supported by bank statements, unless supportable by invoices.

Included within Discontinued operations is an impairment of the net balance sheet position as at the date of Nationalisation, on the basis that the Republic of Chad nationalised all the interests and rights pertaining to the Chad Assets. Also, included within the Chad Assets is the Group's interest in TOTCo which was held as an equity accounted for investment. This investment has also been fully impaired.

During the second half of the year, in an attempt to take control of and deprive SMIL of its equity ownership, governance and operational rights in COTCo, the Republic of Chad, SHT Overseas Petroleum (Cameroon) Limited (SHT), COTCo and certain other shareholders of COTCo have undertaken a number of actions in breach of the Articles of Association of COTCo, the services agreement between COTCo and SMIL (Services Agreement) and Cameroonian law. Disputes under the Articles of Association of COTCo and the Services Agreement are subject to the jurisdiction of ICC arbitral tribunals, seated in Paris. SMIL has commenced arbitral and other legal proceedings in relation to the Chad Assets and COTCo to seek full compensation for the loss that it has and may suffer.

As a result of these events, the Company has not been able to fully access all the underlying financial information or have access to the relevant COTCo employees to prepare the financial information for audit purposes to be consolidated into the Group's financial statements for the year ended 31 December 2023. The Group's auditor has therefore been unable to conduct a complete audit on COTCo for the ended 31 December 2023.

Going concern
The Directors have reviewed the Group's forecasted cash flows as well as the funding requirements of the Group for the period to 31 October 2025. 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.

The Group has now executed a four-year, Naira denominated loan facility with a consortium of Nigerian lenders (the Transitional Facility), which will be utilised to refinance 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).

As part of its analysis in making the going concern assumption, the Directors have considered the range of risks facing the business on an ongoing basis, as set out in the risk section of this Annual Report. In addition, the other principal assumptions made in relation to our base case going concern assessment relate to the regular payments of gas invoices by customers, the forecast commodity price environment and continued access to FX markets (specifically in relation to financing of US Dollar denominated costs and the refinancing of the Accugas US$ Facility).

Notwithstanding the risks across the Group, both the base case forecasts and sensitised scenarios confirm that the Directors believe that the Group and each subsidiary company has sufficient liquidity to continue as a going concern for the period to 31 October 2025.

3. Revenue

(a) Revenue from contracts with customers

Year ended 31 December – continuing operations	**2023 US$'000**	2022 US$'000
Gas sales	**202,744**	181,125
Oil, condensate and processing sales	**21,431**	31,373
Total revenue from contracts with customers	**224,175**	212,498

Gas sales represents gas deliveries made to the Group's customers under gas sale agreements. The Group sells oil and condensate at prevailing market prices.

(b) Other operating income

Other operating income of US$28.9 million (2022: US$7.8 million) relates to the invoicing of foreign exchange losses incurred on certain customer trade receivables that are settled in a currency other than the invoiced currency and are permitted to be invoiced to the relevant customer.

4. Cost of sales

Year ended 31 December – continuing operations	**2023 US$'000**	2022 US$'000
Depletion and depreciation – oil and gas, and infrastructure assets	**34,819**	36,794
Facility operation and maintenance costs	**37,909**	28,938
Royalties	**5,090**	7,424
	77,818	73,156

5. Finance costs

Year ended 31 December – continuing operations	**2023 US$'000**	2022 US$'000
Interest on bank borrowings and loan notes	**83,266**	62,313
Amortisation of balances measured at amortised cost	**9,725**	7,227
Unwinding of decommissioning discount	**5,263**	5,585
Interest expense on lease liabilities	**259**	367
Bank charges	**157**	231
Other finance costs	**3,985**	3,147
	102,655	78,870

6. Foreign exchange loss

Year ended 31 December – continuing operations	**2023 US$'000**	2022 US$'000
Realised loss	**36,803**	16,551
Unrealised loss	**67,910**	12,374
	104,713	28,925

Realised foreign translation loss mainly relates to the translation of Naira denominated transactions into US Dollars. Unrealised loss relates to the revaluation of monetary items held in currencies other than US Dollars. During the year ended 31 December 2023, the Nigerian Naira devalued against the US Dollar which largely resulted in an unrealised loss on monetary balances held in Naira.

7. Earnings per share

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

Diluted earnings per share is calculated by dividing the profit or loss for year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of shares that would be issued on the conversion of dilutive potential ordinary shares into ordinary shares. In the current year, there is a loss attributable to the owners of the Company – from continuing operations, such that the diluted weighted average number of shares reduces the loss per share. Therefore, the basic weighted average number of shares was used to calculate the diluted loss per share.

The weighted average number of shares outstanding excludes treasury shares of 99,858,893 (2022: 99,858,893).

Year ended 31 December	**2023 US$'000**	2022 US$'000
Loss after tax from continuing operations		
Loss attributable to owners of the Company	**(74,185)**	(55,675)

Year ended 31 December	**2023 Number of shares**	2022 Number of shares
Basic weighted average number of shares	**1,216,577,609**	1,202,714,329
Add: employee share options and warrants	**60,420,729**	60,012,622
Diluted weighted average number of shares	**1,276,998,338**	1,262,726,951

	2023 US$	2022 US$
Loss per share from continuing operations		
Basic	**(0.06)**	(0.04)
Diluted	**(0.06)**	(0.04)

23,853,457 options granted under share option schemes are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 31 December 2023 (2022: 23,853,457). These options could potentially dilute basic earnings per share in the future.

8. Property, plant and equipment

	Oil and gas assets US$'000	Infrastructure assets US$'000	Other assets US$'000	Total US$'000
Cost				
Balance at 1 January 2022	197,768	446,128	4,924	648,820
Additions	896	1,068	478	2,442
Transfer to Intangible assets	—	—	(390)	(390)
Recognised on acquisition of subsidiary	121,672	—	—	121,672
Decommissioning remeasurement adjustment	(5,162)	(24,856)	—	(30,018)
Balance at 31 December 2022	315,174	422,340	5,012	742,526
Additions	296	9,525	456	10,277
Disposals	—	—	(250)	(250)
Decommissioning remeasurement adjustment	(287)	(1,699)	—	(1,986)
Transferred to discontinued operations	(121,558)	—	—	(121,558)
Balance at 31 December 2023	**193,625**	**430,166**	**5,218**	**629,009**
Accumulated depreciation				
Balance at 1 January 2022	(37,069)	(40,891)	(2,659)	(80,619)
Transfer to Intangible assets	—	—	231	231
Depletion and depreciation charge	(22,176)	(16,227)	(617)	(39,020)
Balance at 31 December 2022	(59,245)	(57,118)	(3,045)	(119,408)
Depletion and depreciation charge	(20,097)	(14,722)	(504)	(35,323)
Disposals	—	—	250	250
Transferred to discontinued operations	1,616	—	—	1,616
Balance at 31 December 2023	**(77,726)**	**(71,840)**	**(3,299)**	**(152,865)**
Net book value				
Balance as at 1 January 2022	160,699	405,237	2,265	568,201
Balance as at 31 December 2022	255,929	365,222	1,967	623,118
Balance as at 31 December 2023	**115,851**	**358,374**	**1,919**	**476,144**

9. Trade and other receivables

As at 31 December	**2023 US$'000**	2022 US$'000
Trade receivables	**389,911**	244,288
Receivables from a joint arrangement	**5,388**	8,673
Other financial assets	**5,829**	11,518
	401,128	264,479
Expected credit loss	**(53,487)**	(68,840)
	347,641	195,639
VAT receivables	**1,100**	1,385
Loans and advances	**2,093**	2,194
Prepayments and other receivables	**20,023**	40,128
	370,857	239,346

10. Cash at bank

As at 31 December	2023 US$'000	2022 US$'000
Cash and cash equivalents	**48,134**	104,147
Amounts held for debt service	**58,807**	136,741
	106,941	240,888

Cash and cash equivalents includes US$0.3 million (2022: US$1.2 million) of cash collateral on the Orabank revolving facility. The cash collateral was at a value of XOF210.0 million (2022: XOF750.9 million). Amounts held for debt service represents Naira denominated cash balances which are held by the Group for 2020–2023 debt service which has been separately disclosed from Cash and cash equivalents.

11. Trade and other payables

As at 31 December	2023 US$'000	2022 US$'000
Trade and other payables		
Trade payables	**26,461**	159,068
Accruals	**29,273**	50,045
VAT and WHT payable	**16,601**	16,229
Royalty and levies	**6,815**	5,542
Employee benefits	**35**	71
Contingent consideration	**—**	14,680
Financial liability (FVTPL)	**19,328**	19,739
Other payables	**9,487**	14,074
Trade and other payables	**108,000**	279,448
Other payables – non-current		
Employee benefits	**2,030**	7,712
Other payables – non-current	**2,030**	7,712
	110,030	287,160

12. Borrowings

As at 31 December	2023 US$'000	2022 US$'000
Revolving credit facility	**11,376**	11,223
Bank loans	**345,849**	367,249
Senior Secured Notes	**86,626**	91,383
Other loans	**136,817**	175,934
	580,668	645,789

13. Cash flow reconciliations

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

Year ended 31 December	2023 US$'000	2022 US$'000
Loss before tax from continuing operations	**(68,898)**	(53,732)
Profit before tax from discontinued operations	**56,826**	786
Adjustments for:		
Depreciation	**3,545**	2,242
Depletion	**34,819**	38,403
Finance income	**(1,501)**	(948)
Finance costs	**102,655**	78,970
Discontinued operations finance costs	**14,937**	—
Fair value through the profit or loss and other adjustments	**5,706**	8,134
Share of profit from associates	**(4,400)**	(65)
Gain on disposal	**—**	(7,372)
Unrealised foreign exchange loss	**67,910**	12,374
Share-based payments	**4,743**	1,268
Expected credit loss and other related adjustments	**(16,703)**	39,495
Contingent consideration writeoff	**(9,242)**	—
Chad Assets net impairment	**(19,864)**	—
Operating cash flows before movements in working capital	**170,533**	119,555
Increase in inventory	**(1,948)**	(6,143)
Increase in trade and other receivables	**(141,337)**	(110,845)
(Decrease)/increase in trade and other payables	**(11,061)**	20,534
Increase in contract liabilities	**23,510**	87,656
Income tax paid	**(6,474)**	(35,064)
Net cash generated from operating activities	**33,223**	75,693

14. Contingent liabilities

As set in Note 2, the impact of the Nationalisation of the Chad Assets has resulted in the Group not being able to determine liabilities within its subsidiary, SCI, as to both type and quantum. The Directors have sought legal advice which has confirmed that the scope of Law No. 003/PT/2023 promulgated by the President of Chad on 31 March 2023 ("Nationalisation Law") is not specific in relation to SCI's liabilities in Chad. The consequences of the Nationalisation Law for SCI will be established by an arbitration which SCI has commenced against the Republic of Chad. Based upon the legal advice received and the Group's inability to sufficiently identify and quantify, through any reasonable means, the liabilities associated with SCI or the Chad Assets, the Directors believe that these should be considered as contingent liabilities in line with the requirements of IAS 37: Provisions, Contingent Liabilities and Contingent Assets. As previously reported, for the year ended 31 December 2022, the Group consolidated the Chad Assets from the date of completion of their acquisition on 9 December 2022 to 31 December 2022 in accordance with Note 2 of the Financial Statements, as set out in the Group's 2022 Annual Report.

There are conditions remaining to the completion of the sale of the 10% interest in COTCo to SNH and if the sale is completed it could result in a tax liability. Given the uncertainty surrounding the completion, the impact of the above arbitrations and the shareholder dispute (set out in Note 2), it is not possible to properly assess if any tax liability will arise.

15. Events after the reporting period

On 31 January 2024, Accugas Limited executed a four-year, Naira denominated loan facility with a consortium of Nigerian lenders (the Transitional Facility). The Transitional Facility is being utilised to repay the Accugas US$ Facility. More details are set out at Note 2.

With respect to the arbitrations described in Note 2 and 14, on 15 January 2024 SCI and SMIL filed their Statement of Claim in the consolidated arbitration. On 29 May 2024, the Republic of Chad filed its Defence and Counterclaim in the arbitration. The arbitral hearing on the merits of these cases is scheduled to be held in June 2025 with a decision expected in Q4 2025.

On 19 March 2024, the Company announced that it had signed a Share Purchase Agreement to acquire SIPEC, the joint venture partner in the Stubb Creek field; more details are provided in the Strategic Report: Strategy in action Stubb Creek of this Annual Report and Accounts. As there a number of conditions precedent before legal completion no current assessment has been made with respect to any IFRS 3: Business Combinations disclosures.

Definitions

(a) **Total Revenues** are defined as the total amount of invoiced sales during the period. This number is seen by management as appropriately reflecting the underlying cash generation capacity of the business as opposed to Revenue recognised in the Consolidated statement of comprehensive income. A detailed explanation of the impact of IFRS 15 revenue recognition rules on our Consolidated statement of comprehensive income is provided in our 2020 Annual Report in the Financial Review section on page 56. Note that Total Revenues is not an audited number.

(b) **Remaining life of contract revenues** estimated on a maintenance adjusted take-or-pay basis including contributions from two of our customers: Calabar Generation Company Limited (owner of the Calabar power station), and the Lafarge Africa PLC (owner of the Lafarge Mfamosing cement plant). Note this is not an audited number.

(c) **Adjusted EBITDA** is calculated as profit or loss (excluding Other operating income), before finance costs, investment revenue, foreign exchange gains or loss, expected credit loss and other related adjustments, fair value adjustments, gain on acquisition, share-based payments, taxes, transaction costs, depreciation, depletion and amortisation and adjusted to include deferred revenue and other invoiced amounts. Management believes that the alternative performance measure of Adjusted EBITDA more accurately reflects the cash-generating capacity of the business.

(d) **Total contributions** to Nigeria and Niger defined as payments to governments, employee salaries and payments to local suppliers and contractors. Where total contributions refer to the period 2014–2023 they include contributions to Nigeria during the period pre-acquisition of the Nigerian assets by Savannah.

(e) **Investment grade** indicates credit support from an entity which holds an investment grade rating from either Standard & Poor's, Moody's or Fitch Ratings.

(f) **Operating expenses plus administrative expenses** are defined as total cost of sales excluding third party gas purchases, administrative and other operating expenses excluding royalty and depletion, depreciation and amortisation.

(g) **Net debt** is defined as Borrowings less Cash at bank and Restricted cash.

(h) **Leverage** is defined as Net debt divided by Adjusted EBITDA.

Footnotes

Section title and/or pages	Footnotes
Pages 1 - 2	1. Total Revenues are defined as the total amount of invoiced sales during the period. This number is seen by management as appropriately reflecting the underlying cash generation capacity of the business as opposed to Revenue recognised in the Consolidated statement of comprehensive income. A detailed explanation of the impact of IFRS 15 revenue recognition rules on our Consolidated statement of comprehensive income is provided in our 2020 Annual Report in the Financial Review section on page 56. Note that Total Revenues is not an audited number. 2. Operating expenses plus administrative expenses are defined as total cost of sales excluding third party gas purchases, administrative and other operating expenses excluding royalty and depletion, depreciation and amortisation. 3. Carbon intensity figures based on the latest available published data reported by TotalEnergies and Eni. 4. Total contributions to Nigeria and Niger defined as payments to governments, employee salaries and payments to local suppliers and contractors. Where total contributions refer to the period 2014–2023 they include contributions to Nigeria during the period pre-acquisition of the Nigerian assets by Savannah..
CEO's shareholder letter **Pages 5 - 9**	1. Source: IMF April 2024. 2. Source: OECD November 2023. 3. Source: EIA, International Energy Outlook. 4 . Source: IMF, Regional Economic Outlook: Sub-Saharan Africa, Light on the Horizon? October 2023 and Bloomberg, August 2023, Nigeria's Economic Policies Too Loose to Support Naira, IMF Says. 5. Source: ISS African Futures: 'Exchange rate pressures take a toll on sub-Saharan Africa'. 6. Source: S&P Capital IQ. 7. Savannah estimate based on the generation capacity of the power stations supplied by Accugas. 8. In 2017 Savannah entered exclusive discussions to acquire the Nigerian assets, this graph includes the period when Savannah had influence over running the assets before completion of the acquisition. 9. Carbon intensity figures based on the latest available published data reported by TotalEnergies and Eni. 10. Estimated on a normalised basis adjusted for the impact of the ECOWAS sanctions imposed between July 2023 and February 2024. 11. Competent Persons Report, R1234 Licence Area, Agadem Basin Niger, December 2021, CGG Services (UK) Ltd. Net Present Value discounted at 10%. 12. Cost of US$1.3/boe based on the effective date consideration payable to Sinopec and Jagal and Reserves and Resources estimate as at 1 September 2023. 13. Savannah's wholly owned subsidiary, Savannah Midstream Investment Limited ("SMIL"), has signed a Share Purchase Agreement with the national oil company of Cameroon, Société Nationale Des Hydrocarbures ("SNH") for the sale of 10% of the issued share capital in COTCo. Completion of the transfer of the shares from SMIL to SNH will result in SMIL's shareholding in COTCo reducing from 41.06% to 31.06%. Completion shall occur upon satisfaction of certain conditions precedent related to amendments to the Articles of Association of COTCo. 14. During the second half of 2023, in an attempt to take control of and deprive SMIL of its equity ownership, governance and operational rights in COTCo, the Republic of Chad, SHT Overseas Petroleum (Cameroon) Limited ("SHT"), COTCo and certain other shareholders of COTCo have undertaken a number of actions in breach of the Articles of Association of COTCo, the Services Agreement between COTCo and SMIL and Cameroonian law. SMIL has commenced arbitral and other legal proceedings against COTCo, the Republic of Chad, SHT Overseas Petroleum (Cameroon) Limited and the other shareholders of COTCo to seek

Section title and/or pages	Footnotes
	full compensation for the loss that it has and may suffer as a result of actions in breach of SMIL's rights under the Articles of Association of COTCo and the Services Agreement. 15. Production drop from the time of nationalisation to May 2024 as stated by Tchad Petroleum Company SA. 16. Source: EIA. 17. Rystad estimates US$169bn of upstream asset value in Africa for Exxon, BP, Shell, Chevron, Total, Eni, Equinor and Repsol. 18. Source: World Bank. 19. Source: Human Development Report 2023/2024. 20. Source: IMF 2022. 21. Source: Our World in Data. 22. Source: IEA, World Energy Outlook. 23. Source: S&P Global Market Intelligence, S&P Global Ratings. 24. Source: IEA, Net zero by 2050. 25. Source: EIA, International Energy Outlook.
Financial review **Pages 10 - 13**	1. Savannah's wholly owned subsidiary, Savannah Midstream Investment Limited ("SMIL"), has signed a Share Purchase Agreement with the national oil company of Cameroon, Société Nationale Des Hydrocarbures ("SNH") for the sale of 10% of the issued share capital in COTCo. Completion of the transfer of the shares from SMIL to SNH will result in SMIL's shareholding in COTCo reducing from 41.06% to 31.06%. Completion shall occur upon satisfaction of certain conditions precedent related to amendments to the Articles of Association of COTCo. 2. During the second half of 2023, in an attempt to take control of and deprive SMIL of its equity ownership, governance and operational rights in COTCo, the Republic of Chad, SHT Overseas Petroleum (Cameroon) Limited ("SHT"), COTCo and certain other shareholders of COTCo have undertaken a number of actions in breach of the Articles of Association of COTCo, the Services Agreement between COTCo and SMIL and Cameroonian law. SMIL has commenced arbitral and other legal proceedings against COTCo, the Republic of Chad, SHT Overseas Petroleum (Cameroon) Limited and the other shareholders of COTCo to seek full compensation for the loss that it has and may suffer as a result of actions in breach of SMIL's rights under the Articles of Association of COTCo and the Services Agreement.

Glossary

2P Reserves	the sum of proved plus probable reserves;
2C Resources	the best estimate of Contingent Resources;
3D seismic	geophysical data that depicts the subsurface strata in three dimensions. 3D seismic typically provides a more detailed and accurate interpretation of the subsurface strata than 2D seismic;
Accugas	Accugas Ltd, a gas marketing, processing and distribution company incorporated under the laws of Nigeria, an 80% owned subsidiary of the Company;
Accugas Midstream Business	the business currently operated by Accugas Limited, comprising a 200 MMscfpd gas processing facility and approximately 260 km gas pipeline network and associated gas processing infrastructure;
Accugas US$ Facility	Accugas' bank loan facility amounting to US$342.4 million;
AIM	the Alternative Investment Market of the London Stock Exchange;
AIIM	African Infrastructure Investment Managers;
AMOCON	Amalgamated Oil Company Nigeria Limited, which produces gas from its OML 156 sole risk petroleum lease area;
Barrels or bbl	a unit of volume measurement used for petroleum and its products (for a typical crude oil 7.3 barrels = 1 tonne: 6.29 barrels = 1 cubic metre);
Bcm	billion cubic metres;
Bn	billion;
Board	the Board of Directors of Savannah Energy PLC;
Bscf	billion standard cubic feet;
Bscfpd	billion standard cubic feet per day;
best estimate	the middle value in a range of estimates considered to be the most likely. If based on a statistical distribution, can be the mean, median or mode depending on usage;
block	an area defined for exploration licensing;
boe	barrels of oil equivalent. One barrel of oil is approximately the energy equivalent of 6 Mscf of natural gas;
CETS	COTCo export transportation system;
Cameroon Assets	means the assets acquired from ExxonMobil being a 41.06% shareholding interest in Cameroon Oil Transportation Company which owns and operates the Cameroon portion of the Chad-Cameroon pipeline and FSO;
Chad Assets	means the assets acquired from ExxonMobil being a 40% participating interest in the Doba Oil Field Development Area in Chad, and a 40.19% shareholding interest in Tchad Oil Transportation Company which owns and operates the Chad portion of the Chad-Cameroon pipeline. These assets were nationalised by the Republic of Chad on 31 March 2023;
Chad and Cameroon Assets	The Chad Assets and the Cameroon Assets;
Chad-Cameroon pipeline	is the 1,081 km, 30 inch oil pipeline connecting the Doba Oil Project to the Kome Kribi 1 FSO offshore Cameroon, with a nameplate capacity of 250 Kbopd (as defined in the Supplementary Admission Document dated 9 December 2023);
CGCL	Calabar Generation Company Limited (owner of the Calabar power station);
CHGC	Central Horizon Gas Company Limited;
Company	Savannah Energy PLC;
Committee(s)	The four sub-committees of the Board. Audit Committee; Remuneration Committee; Health, Safety, Environment, Security and Risk Committee; Compliance Committee;
condensate	light hydrocarbon compounds that condense into liquid at surface temperatures and pressures. They are generally produced with natural gas and are a mixture of pentane and higher hydrocarbons;

Contingent Resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies;
COTCo	Cameroon Oil Transportation Company;
CPF	Central Processing Facility;
CPR	Competent Persons Report - a CPR was compiled for the Niger and Nigeria Assets by CGG Services (UK) Ltd;
Cretaceous	geological strata formed during the period 140 million to 65 million years before the present;
crude oil	hydrocarbons that at atmospheric temperature and pressure are in a liquid state, including crude mineral oil, asphalt and ozokerites, and liquid hydrocarbons that are obtained by separation, processing or extraction;
debottleneck	process of identifying specific areas and/or equipment in oil and gas facilities that limit the flow of product and optimising them so that overall capacity in the plant can be increased;
EBITDA	Earnings before interest, tax, depletion, depreciation and amortisation;
ECOWAS	Economic Community of West African States
E&P	exploration and production;
EITI	Extractive Industries Transparency Initiative. (Savannah is a member);
EMEA	Europe, Middle East, and Africa;
EPF	Early Prduction Facility;
ESIA	Environmental and Social Impact Assessment;
ESG	environmental, social, and governance;
ETS	Export Transportation System;
exploration well	a well drilled to find hydrocarbons in an unproved area or to extend significantly a known oil or natural gas reservoir;
field	an area consisting of either a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition;
FIPL	First Independent Power Limited (owner of the FIPL Afam, Eleme and Trans Amadi power plants);
FSO	floating storage and offloading facility;
FUN Manifold	the facilities for storing, handling and exporting crude oil from the Uquo, Stubb Creek and Qua Iboe Fields to the Qua Iboe terminal;
geophysical	measurement of the earth's physical properties to explore and delineate hydrocarbons by means of electrical, seismic, gravity and magnetic methods;
GDP	Gross Domestic Product;
GDPR	General Data Protection Regulation;
GHG	Greenhouse Gases;
gross resources	the total estimated petroleum that is potentially recoverable from a field or prospect;
Group	Savannah Energy PLC and its subsidiaries;
GSA	gas sales agreement;
1 Gt	gigatonne (1 gigatonne = 1 billion tonnes);
GW	gigawatt;
HRH	His/Her Royal Highness;
HSE	health, safety and environment;
HSE&S	health, safety, environment and security;
HSES&R	health, safety, environment, security and risk;
hydrocarbon	a compound containing only the elements hydrogen and carbon. May exist as a solid, a liquid or a gas. The term is mainly used in a catch-all sense for oil, gas and condensate;

investment grade	a rating that indicates that a municipal or corporate bond has a relatively low risk of default;
international $	International dollars are a hypothetical currency that is used to make meaningful comparisons of monetary indicators of living standards. Figures expressed in international dollars are adjusted for inflation within countries over time, and for differences in the cost of living between countries. The goal of such adjustments is to provide a unit whose purchasing power is held fixed over time and across countries, such that one international dollar can buy the same quantity and quality of goods and services no matter where or when it is spent.
ICC	International Chamber of Commerce;
IDA	The World Bank's International Development Association;
IPC	Ibom Power Company Limited (owner of the Ibom power station);
Kboepd	thousands of barrels of oil equivalent per day;
Kbopd	thousands of barrels of oil per day;
km	kilometre;
km^2	square kilometres;
kt	kilotonne;
kV	kilovolt;
kWh	kilowatt hour;
Lafarge	Lafarge Africa PLC (owner of the Lafarge Mfamosing cement plant);
lead	an identified opportunity with sufficient support from geological analogues and the like to encourage further data acquisition and/or study on the basis that hydrocarbon accumulations may be found in the future;
licence	an exclusive right to search for or to develop and produce hydrocarbons within a specific area and/or a pipeline licence, as the context requires. Usually granted by the State authorities and may be time limited;
LTIP	Long-Term Incentive Programme;
LTIR	Lost Time Injury Rate;
M	thousand;
Matters reserved for the Board	This document sets out the powers reserved for the Board and not delegated to the Company's executive Directors;
Market Abuse Regulations	The Market Abuse Regulations means the retained version of the Market Abuse Regulation (EU) No 596/2014 on market abuse which applies in the UK following the end of the Brexit transition period;
MJ	megajoules;
MMboe	millions of barrels of oil equivalent;
MMbopd	millions of barrels of oil per day;
MMscf	million standard cubic feet;
MMscfpd	millions of standard cubic feet per day;
MMstb	millions of standard stock tank barrels of oil;
MT	million tonnes;
Mtoe	million tonne of oil equivalent
Mscf	thousand standard cubic feet;
Mscfe	thousand standard cubic feet of gas equivalent;
MW	megawatt;
Notore	Notore Chemical Industries PLC;
Nationalisation	on 23 March 2023 and the subsequent promulgation in law on 31 March 2023, the Republic of Chad nationalised the interests of any kind of SCI located in Chad or arising from the conventions between SCI and the Republic of Chad in respect of the exploration, exploitation and transportation of hydrocarbons in

	Chad and the interests of any kind of SMIL, including the shares and rights held by SMIL in any branch office in Chad and any company having its principal place of business in Chad;
natural gas	hydrocarbon that at a standard temperature of sixty degrees Fahrenheit (60ºF) and a standard pressure of one atmosphere are in a gaseous state, including wet mineral gas and dry mineral gas, casing head gas, residual gas remaining after separation treatment, processing, or extraction of liquid hydrocarbons;
Nigelec	Société Nigerienne d'Electricité - the Nigerien electric power generation and transmission utility;
Nigeria	Federal Republic of Nigeria;
Nigerian assets	the interest in the Uquo Gas Project owned by SEUGL, the interest in the Stubb Creek Field owned by Universal Energy Resources and the interest in the Accugas Midstream Business owned by Accugas Limited;
NGO	non-governmental organisation;
NPK	reflects the three elements found in NPK fertilisers, Nitrogen, Phosphorous and Potassium;
oil equivalent	international standard for comparing the thermal energy of different fuels;
OML	Oil Mining Licence, a licence granted to produce oil and gas in Nigeria;
operator	the entity that has legal authority to drill wells and undertake production of hydrocarbons found. The operator is often part of a consortium and acts on behalf of this consortium;
petroleum	a generic name for hydrocarbons, including crude oil, natural gas liquids, natural gas and their products;
PIA	Petroleum Industry Act, enacted in 2021 to provide for the legal, governance, regulatory and fiscal framework for the Nigerian Petroleum Industry;
play	a project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects;
prospect	a project associated with a potential accumulation of oil or natural gas that is sufficiently well defined to represent a viable drilling target;
prospective resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects;
PSC	Production Sharing Contract;
PV10	Net Present Value of expected future cashflows discounted at 10% per annum
QCA code	Quoted Companies Alliance corporate governance code;
Quad BTU	quadrillion British thermal units;
R3 East Development or R3 East Early Production Scheme	comprises the development of Savannah main discoveries (i.e. Amdigh, Eridal, Bushiya and Kunama);
reserves	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions;
reservoir	a subsurface body of rock having sufficient porosity and permeability to store and transmit fluids. A reservoir is a critical component of a complete petroleum system;
resources	deposits of naturally occurring hydrocarbons which, if recoverable, include those volumes of hydrocarbons either yet to be found (prospective) or if found the development of which depends upon a number of factors (technical, legal and/or commercial) being resolved (contingent);
RTAR	Road Traffic Accident Rate - (number of accidents/kilometres driven) * 200,000;
SASB	Sustainability Accounting Standards Board;
Savannah	Savannah Energy PLC and its subsidiaries;
SCI	Savannah Chad Inc.;
seal	a relatively impermeable rock, commonly shale, anhydrite or salt, that forms a barrier or cap above and around reservoir rock such that fluids cannot migrate beyond the reservoir. A seal is a critical component of a complete petroleum system;
seismic survey	a method by which an image of the earth’s subsurface is created through the generation of shockwaves and analysis of their reflection from rock strata. Such surveys can be done in two or three-dimensional form;

SIPEC	Sinopec International Petroleum Exploration and Production Company Nigeria Limited;
SIPEC Acquisition	The agreement, announced post-year end on 19 March 2024, to acquire 100% of the outstanding share capital of SIPEC. SIPEC's principal asset is a 49% non-operated interest in the Stubb Creek Field where our affiliate, Universal Energy Resources Limited, is the 51% owner and operator;
SMIL	Savannah Midstream Investment Limited
SNG	Shell Nigeria Gas Limited;
South Sudan Acquisition	the proposed acquisition of PETRONAS International Corporation Limited's entire oil and gas business in South Sudan;
South Sudan Assets	the assets that Savannah proposes to acquire from PETRONAS International Corporation Ltd,as announced on 12 December 2022. These assets comprise interests in three Joint Operating Companies which operate Block 3/7 (40% working interest ("WI")), Block 1/2/4 (30% WI) and Block 5A (67.9% WI), in South Sudan.
SPDC	Shell Petroleum Development Company of Nigeria Limited;
stratigraphic	a mode of trapping hydrocarbons which is not dependent on structural entrapment;
Stubb Creek or Stubb Creek Field	the Stubb Creek marginal oil and gas field located in the OML 14 block, onshore Nigeria;
Stubb Creek EPF	early production facilities located at the Stubb Creek Field;
TCFD	Task Force on Climate-Related Financial Disclosures;
Transitional Facility	An agreement signed by Accugas with a consortium of five Nigerian banks to provide a new NGN340 billion Naira denominated four-year term facility which will be utilised to repay the Accugas US$ Facility;
TRIR	Total Recordable Incident Rate;
Tscf	trillion standard cubic feet;
Tertiary	geological strata formed during the period from 65 to 1.8 million years ago;
TOTCo	Tchad Oil Transportation Company;
UN SDG	Sustainable Development Goals, a series of 17 goals fixed by the United Nations and adopted by 193 countries in 2015;
Uquo CPF	the 200 MMscfpd gas processing facilities, owned by Accugas Ltd, and located at the Uquo Field;
Uquo Field	the Uquo marginal field located in the OML 13 block, onshore Nigeria;
Uquo Gas Project	the gas project at the Uquo Field;