

Globeleq Africa Limited
Annual Report and Financial Statements for the year ended 31 December 2023

Registered No. 4250990

Directors

MD Scholey
IJ Coxon
S Webb

Secretary

N Yaroshenko

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

6th Floor
67 Lombard Street
London
EC3V 9LJ
United Kingdom

Parent registered office

Globeleq Africa Holdings Limited
2nd Floor, Regency Court
Gategny Esplanade
St Peter Port
Guernsey
GY1 1WW

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COMPANIES HOUSE

Globeleq Africa Limited
Annual Report and Financial Statements for the year ended 31 December 2023

Strategic Report

The directors present their strategic report for the year ended 31 December 2023.

Principal Activities

Globeleq Africa Limited (the 'Company') is an intermediary parent of the Globeleq Africa Holdings Limited Group that develops, owns and operates power plants, with a sole focus on the African continent, the 'Group'. The Group's mission is to power Africa's growth using a broad range of generating technologies together with a strong track record of developing new capacity and operational excellence to be a trusted, reliable and committed partner of choice within the African independent power producer (IPP) market.

The Company is a wholly owned subsidiary of Globeleq Limited, which in turn is owned 70% by the United Kingdom's development finance institution British International Investment plc ('BII'), and 30% by the Norwegian Investment Fund for Developing Countries ('Norfund'). Please refer to the Globeleq Africa Holdings Limited consolidated accounts for further details on the Group's strategy.

Principal risks

The business and the execution of the Company's strategy are subject to a number of risks and uncertainties. The key business risks and uncertainties affecting the Company are considered to relate to the strength and volatility of the Africa energy market. This includes changes to the overall Africa energy market and local government policies, which affect the success rate of developing the power plants in Africa.

The Company's primary concern is to ensure the return of investment from its future investments in a profitable and sustainable manner which involves monitoring the future investments to operate their plants efficiently, including ensuring employees are safe, and growing the business through business development activities.

Financial risk management

The financial risks that impact the Company are explained below.

- **Liquidity risk**
Liquidity risk is the risk that the Company will not have sufficient funds to meet its liabilities. Cash forecasts identifying the liquidity requirements of the Company are produced frequently. These are reviewed regularly to ensure sufficient financial headroom exists for at least a 12-month period.
- **Currency exposures**
Currency exposures give rise to exchange gains and losses. Such exposures comprise those monetary assets and liabilities that are not denominated in their functional currency.

Key performance indicators

The key performance indicators of the business are integrated with Globeleq Africa Holding Limited. The directors of Globeleq Africa Holding Limited oversee the group's operations on a consolidated basis. Further discussion of the performance of the group, including the Company, is provided within the strategic report of the Globeleq Africa Holding Limited annual report which does not form part of this report.

Strategic Report (continued)

Section 172

During the year, the Company has continued to act as an intermediate holding company within the Globeleq Limited group (the "**Globeleq Group**"). The Board of Directors of the Company is made up of the Chief Executive Officer, Chief Financial Officer and Group Finance Director. Considering our stakeholder's broad range of interests is an important part of the way the Board makes its decisions. Balancing different perspectives and delivering long-term strategic decisions that promote the success of the Company is paramount to the success of the Globeleq Group. To ensure the Company's objectives are delivered and aligned with Globeleq's values, the day-to-day management of the Company is undertaken by the Executive Management Team. The Executive Management team is made up of employees of the Globeleq Group and represents a diverse mix of thought, cultures, backgrounds, knowledge, and experience in the African continent we operate.

In discharging their duty to promote the interests of the Company under section 172 Companies Act (2006), the Directors of the Company have acted in the way that they considered to be in good faith, for the benefit of our member as a whole and our stakeholders' interests. This section forms our Section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in section 172(1), as follows:

"A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- I. The likely consequences of any decision in the long term,
- II. The interests of the company's employees,
- III. The need to foster the company's business relationships with suppliers, customers, and others,
- IV. The impact of the company's operations on the community and the environment,
- V. The desirability of the company maintaining a reputation for high standards of business conduct, and
- VI. The need to act fairly as between members of the company.

The following are some examples of how the Directors have had regard to the matters set out in sections 172 (1)(a) – (f) when discharging their section 172 duties and the effect of that on certain of the decisions taken by them.

Strategic Report (continued)

The Globeleq Group operates in a sector characterised by long-term relationships to develop a power plant that can take between five to ten years and once operational, it is under a long-term contract (fifteen + years) with a single off-taker. The consideration of long-term consequences and balancing wide ranges of interests are an inherent part of the Company's decision-making processes.

The Board reviews strategy, financial and operational performance as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations.

Due to the long-term nature of the business, sustainability is one of Globeleq's core values. As a mission-led privately-owned company, the Board considers that the interests of the Company and its Shareholder are aligned in seeking sustainable value creation over the longer term through the Group's operations, promoting long-term strategic decision-making. The Company is committed to supporting long-term development in Africa, protecting the environment, having a positive impact on local economies and people, and delivering financial returns for our shareholders and local partners. The Board is sensitive to its stakeholders concerns and its responsibility for stewardship and good governance at all levels. These factors also drive a continuing focus on the maintenance of durable relationships with stakeholders, built on the Group's reputation with our partners, communities, and suppliers.

Maintaining a reputation for high standards of business conduct is vital and the Group expects all members of the supply chain to always act with integrity, acting openly, honestly, and ethically. The Group has zero tolerance to fraud and consistently maintains effective oversight and scrutiny processes. Integrity is underpinned with policies in relation to bribery and corruption, data protection, equality, diversity and inclusion, fraud, and whistleblowing, each of which is reinforced through appropriate training.

In addition to the Group's core values, all employees must comply with these requirements and when taken together with the Group's corporate responsibility commitments, they provide the framework within which the Group operates both internally and in the marketplace. The Group provides employees with relevant information and to seek their views on matters of common concern. Priority is given to ensuring that employees are aware of all significant matters affecting the Group. Suppliers and contractors are also expected to behave in a manner consistent with these standards.

Our commitment to the business, our stakeholders, the environment, and society as a whole, are embodied in our [Annual Sustainability Report](#). The report sets out our approach to engaging with our stakeholder groups, detailing and tracking our comprehensive stakeholder engagement plan, year on year. The Report is reviewed and approved by our shareholders, who work very closely with the Executive Management team and external stakeholders. The directors have direct input into the Group's long-term success through their leadership on our strategic direction.

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Strategic Report (continued)

The Directors do not consider the factor set out in section 172(1)(f) as applicable or relevant to the proper discharge of their duties, as the Company is a wholly owned subsidiary of Globeleq Africa Holdings Limited. The ultimate owner of the Group are two government entities (BII PLC and Norfund), whose relationship with the Group is governed by a shareholder's agreement.

This report was approved by the Board and signed on its behalf on 28th June 2024.

By order of the Board of Directors,

Ian Coxon

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Ian Coxon
Chief Financial Officer

Director

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Directors' Report

The directors present their annual report and audited financial statements of Globeleq Africa Limited (the "Company") for the period ended 31 December 2023.

Review of Activities and Future Developments

The Group had 485MW under construction at the end of 2023. The Phase 4 expansion at the Azito combined cycle gas turbine plant in Côte d'Ivoire (253MW) was completed in 2023, as was the Cuamba solar and battery project (19MW with 7MWh battery storage). In early 2024, Globeleq began construction work at the 35MW Menengai geothermal plant in Kenya.

The Company has an extensive portfolio of potential projects with renewable energy projects in South Africa and Mozambique all expected to make significant progress in 2024. In Mozambique, the Group expects to reach financial close at the Namaacha wind project, the first wind power project in Mozambique, in 2024. The Group is also examining potential "game-changer" projects of scale in Africa including green hydrogen opportunities in Egypt, and gas-to-power with carbon capture and storage in Mozambique.

The Company acts as an intermediate holding company for some of the Globeleq subsidiaries and performs development work for new projects on its own behalf.

The Directors remain confident in the continuing development activities of the Company.

Results and Dividends

The loss for the year after taxation was \$18.5m (2022 loss: \$55.6m). The Company was loss making in both the current and prior years as it bears the cost of developing the Group's new projects but only recognises associated development income when projects reach financial close. The loss decreased in the year, primarily as a result of an increase in dividend income from subsidiaries from \$9.9m in 2022 to \$30.0m in 2023 and the higher impairments to investments recognised in prior year.

No dividends were paid during the year (2022: \$Nil).

Directors and their Interests

The directors of the Company at the date of this report were as follows:

	Appointed	Resigned
MD Scholey	3 rd September 2015	
ASJ Ramsay	11 th April 2016	31 st December 2023
IJ Coxon	23 rd January 2020	
S Webb	1 st January 2024	

None of the directors at any time during the year ended 31st December 2023 or subsequent to 31st December 2023 had any interest in shares or debentures of the Company.

None of the directors at any time during the year ended 31st December 2023 had any material interest in any contracts with the Company or its subsidiaries.

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Directors' Report (continued)

Charitable Contributions

During the year, the Company did not make any charitable donations (2022: \$Nil).

Political Contributions

The Company did not make any political contributions during the year.

Post Balance Sheet Events

There were no reportable events after the reporting period which require disclosure or adjustment in the financial statements.

Going Concern

The Company's parent undertaking has committed to provide financial support to the Company, should it be required, for the period to 30 June 2025.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 30 June 2025. Taking into account continuing support from the parent company, the directors are comfortable with the financial statements being prepared on a going concern basis.

Potential impacts (such as residual Covid-19 concerns, climate change and other risks to the business) to the cash flows of the Group and its subsidiaries continue to be monitored. This includes stress testing through a range of potential outcomes, including the possibility of a significant reduction in distributions from operating subsidiaries. Even under extreme stress test scenarios, the Group remains solvent and has access to committed funds from shareholders for equity investment and can draw down on the corporate revolver facility for further working capital requirements.

It can therefore be considered that the Company has access to sufficient financial resources to meet its liabilities as they fall due and it can be reasonably expected that those financial resources will be made available to the Company in order to meet the foreseeable cash requirements."

Disclosure of Information of the Auditors

Each of the persons who is a director at the date of approval confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- The director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish the Company's auditors are aware of that information.

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Directors' Report (continued)

Auditors

Ernst & Young LLP acted as auditors during the period. A resolution to reappoint them as auditors will be proposed at the forthcoming general meeting at which this report and financial statements are presented.

By order of the Board of Directors

Ian Coxon

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Ian Coxon
Chief Financial Officer

Director

28th June 2024

Globeleq Africa Limited
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Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

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

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

The directors confirm they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Independent Auditor's Report to Members of Globeleq Africa Limited

Opinion

We have audited the financial statements of Globeleq Africa Limited for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31st December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 June 2025.

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

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Other information

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Company Act 2006) and the relevant tax compliance regulations in the UK.
- We understood how Globeleq Africa Limited is complying with those frameworks by making inquiries of management, those responsible for legal and compliance procedures and those with charged with governance. We corroborated our inquiries through our review of minutes of Board of Directors meetings and the review of various correspondences examined in the context of our audit and noted that there was no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by gaining an understanding of the entity level controls and policies that the Company applies. We performed walkthrough procedures to understand the financial statement close process. Our

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procedures also included a risk-based sample of journal entries that have been posted with the intention of overriding internal controls. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved the testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of management, review of internal audit reports and of the volume and nature of complaints received by the whistleblowing hotline during the year and review of management reports to the Audit Committee.

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

Use of our report

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

DocuSigned by:

262AE9FA9ABC4A8
William Testa (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 28 June 2024

Globeleq Africa Limited
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Statement of Comprehensive Income
For the year ended 31 December 2023

	Notes	2023	2022
		\$	\$
Revenue	3	7,038,672	5,167,963
Dividend income		30,014,370	9,926,478
Staff costs	5	(19,059,417)	(17,714,912)
Other operating expenses	4	(32,695,836)	(49,322,421)
(Loss) from operations		(14,702,211)	(51,942,892)
Impairment charges	10	(2,661,943)	(2,361,476)
Interest payable and similar charges	6.1	(333,451)	(825,798)
Interest income	6.2	627,716	128,302
(Loss) before tax		(17,069,889)	(55,001,864)
Tax on (loss) from ordinary activities	7.1	(1,420,593)	(577,925)
(Loss) after taxation		(18,490,482)	(55,579,789)

All amounts are derived from continuing operations in both the current and preceding year.

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Statement of Financial Position

As at 31 December 2023

	Notes	2023 \$	2022 \$
Non-current assets			
Tangible fixed assets	8	333,976	460,139
Investments in subsidiary and associate undertakings	9	396,035,543	329,480,354
Loans receivables	19	22,672,888	-
		419,042,407	329,940,493
Current assets			
Debtors	11	73,344,022	278,748,089
Cash	12	10,210,501	17,537,284
		83,554,523	296,285,373
TOTAL ASSETS		502,596,930	626,225,866
Capital and reserves			
Share capital	17	339,485,650	339,485,650
Retained earnings		24,736,641	43,227,123
Total equity		364,222,291	382,712,773
Current liabilities			
Creditors	13	114,099,949	226,523,838
Contingent consideration	14	5,694,927	848,750
Provisions	15	9,005,051	8,229,741
Deferred income		1,375,816	-
		130,175,743	235,602,329
Non-current liabilities			
Contingent consideration	14	1,977,368	4,800,000
Provisions	15	6,221,528	3,110,764
		8,198,896	7,910,764
Total liabilities		138,374,639	243,513,093
TOTAL EQUITY AND LIABILITIES		502,596,930	626,225,866

The financial statements were approved by the board on 28th June 2024 and signed on their behalf by:

Ian Coxon

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Ian Coxon
Chief Financial Officer
Officer

Simon Webb

.....
Simon Webb
Group Finance Director

Globeleq Africa Limited
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Statement of Changes in Equity
For the Year Ended 31 December 2023

	Called up share capital \$	Retained earnings \$	Total equity \$
At 1 January 2022	339,485,650	98,806,912	438,292,562
Loss for the year	-	(55,579,789)	(55,579,789)
Total movement for the year	-	(55,579,789)	(55,579,789)
At 31 December 2022	339,485,650	43,227,123	382,712,773
Loss for the year	-	(18,490,482)	(18,490,482)
Total movement for the year	-	(18,490,482)	(18,490,482)
At 31 December 2023	339,485,650	24,736,641	364,222,291

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Statement of Cash Flows
As at 31 December 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
(Loss) for the financial year		(18,490,482)	(55,579,789)
Adjustments for:			
Depreciation of owned fixed assets	8	126,163	3,095,947
Impairment of non-current assets	9-10	2,805,856	2,361,476
Finance costs	6.1	333,451	825,797
Interest received	6.2	(627,716)	(128,302)
Dividends received		(30,014,370)	
Foreign exchange differences		2,426,062	-
Taxation	7.1	1,420,593	577,925
Impairment of financial assets		-	14,503,793
Non-cash movement in provisions		3,886,074	11,340,504
(Loss)/profit from operations before changes in working capital		(38,134,369)	(23,002,649)
Decrease in debtors		182,929,526	9,454,463
(Decrease)/Increase in creditors		(115,324,906)	25,371,353
Increase in deferred income		340,776	-
Cash generated from operations		29,811,027	11,823,167
Income tax paid		(1,420,593)	(577,925)
Net cash generated from operating activities		28,390,434	11,245,242
Cash flows from investing activities			
Interest received	6.2	627,716	128,302
Dividends received		30,014,370	
Investment in subsidiaries		(66,541,611)	(17,065,144)
Associate share capital reduction		-	2,100,000
Business acquisition		(848,750)	(848,750)
Government grants		1,035,040	-
Net cash used in investing activities		(35,713,235)	(15,685,592)
Cash flows from financing activities			
Interest paid	6.1	(333,451)	(476,881)
Net cash used in financing activities		(333,451)	(476,881)
Net decrease in cash and cash equivalents		(7,656,252)	(4,917,231)
Cash and cash equivalent as at 1 January	12	17,537,284	22,454,515
Effect of exchange rate changes on cash		329,468	-
Cash and cash equivalents as at 31 December	12	10,210,501	17,537,284

Notes to the Financial Statements

1. Corporate Information

The principal activity of the Company is to perform development work on new projects and act as an intermediate holding company of certain Globeleq Group subsidiaries. It also provides management services to group entities.

2. Significant Accounting Policies

Statement of Compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Exemption for qualifying entities under FRS102

FRS102 allows a qualifying entity certain disclosure exemption subject to certain conditions, which have been complied with. The company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the following disclosure exemptions available to it in respect of its individual financial statements:

- i) from disclosing the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures of Globeleq Africa Holdings Limited.
- ii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv); and
- iii) from disclosing the company key management personnel compensation in total, as required by FRS102 paragraph 33.7.

Companies act exemption

The Company is a wholly owned subsidiary undertaking of the Company's immediate parent as at the end of the reporting period (see note 21) and is therefore exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

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

Notes to the Financial Statements

2. Significant Accounting Policies (*continued*)

Going Concern

The Company's parent undertaking has committed to provide financial support to the Company, should it be required, for the period to 30 June 2025.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 30 June 2025. Taking into account continuing support from the parent company, the directors are comfortable with the financial statements being prepared on a going concern basis.

Potential impacts (such as residual Covid-19 concerns, climate change and other risks to the business) to the cash flows of the Group and its subsidiaries continue to be monitored. This includes stress testing through a range of potential outcomes, including the possibility of a significant reduction in distributions from operating subsidiaries. Even under extreme stress test scenarios, the Group remains solvent and has access to committed funds from shareholders for equity investment and can draw down on the corporate revolver facility for further working capital requirements.

It can therefore be considered that the Company has access to sufficient financial resources to meet its liabilities as they fall due and it can be reasonably expected that those financial resources will be made available to the Company in order to meet the foreseeable cash requirements."

Currency

The financial statements are expressed in US Dollars ("\$"), which is the Company's functional currency. Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other operating (losses)/gains'.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

Notes to the Financial Statements

2. Significant Accounting Policies (*continued*)

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods/services; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the company's sales channels have been met.

Dividend income

Income on dividends received is recognised when the Company's right to receive payment is established.

Employee Benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i. Short Term Benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii. Defined Contribution Pension Plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

iii. Incentive Plans

The company operates an annual short-term incentive plan and a three-year long-term incentive plan for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Notes to the Financial Statements

2. Significant Accounting Policies (*continued*)

Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

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

Deferred Tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date.

Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Fixed Assets

Fixed assets are stated at cost, net of depreciation and provision for impairment. Fixed assets are depreciated on a straight-line basis over their estimated useful lives using the following rates:

- Fixtures and fittings – up to 10 years
- Leasehold improvements – up to 10 years

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or depreciation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Borrowing Costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the Financial Statements

2. Significant Accounting Policies (*continued*)

Leased Assets

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

i. Finance Leased Assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined, the company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

ii. Operating Leased Assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

iii. Lease Incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

Impairment of Non-Financial Assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

Notes to the Financial Statements

2. Significant Accounting Policies (continued)

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Investments

- i. **Investment in Subsidiary Companies**
Investment in a subsidiary company is held at cost less accumulated impairment losses.
- ii. **Investment in Associate**
Investment in an associate is held at cost less accumulated impairment losses.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to Equity Holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders.

Short-term Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Notes to the Financial Statements**2. Significant Accounting policies (continued)****Judgement Used in Applying Accounting Policies and Sources of Estimation Uncertainty**

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. The preparation of the financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities and contingent assets and liabilities at the reporting date, as well as revenues and expenses reported during the period. As well as relying on estimates, the Directors make judgements to define the appropriate accounting policies and decisions to apply to certain activities and transactions, including when the effective FRS standards and interpretations do not specifically deal with the related accounting issues. The key area of estimation uncertainty and judgement is:

Long Term Incentive Plan (LTIP) Provision – Estimation Uncertainty

The company provides an LTIP programme to senior employees. The programme covers the period 2022-2024, with participants receiving cash payments in 2025 and 2026, subject to the Group achieving certain targets. A provision has been recognised for these payments based on an estimation of the expected performance of the Group against these targets, however the estimation is uncertain as the Group's performance won't be known until the end of 2024.

3. Revenue

	2023	2022
	\$	\$
Intercompany management service fee	7,038,672	5,167,963
Total revenue	7,038,672	5,167,963

4. Other operating expenses

	2023	2022
	\$	\$
Intercompany management fees	10,740,725	7,208,344
Consultancy and legal fees	12,057,466	15,409,864
Staff other and travel costs	3,511,824	3,285,845
Office and IT costs	2,435,565	3,013,960
Operating lease charges	850,172	786,390
Auditor's remuneration	38,071	32,114
Depreciation	126,163	3,095,947
Bank fees	483,262	572,584
Write offs (1)	-	14,715,264
Exchange loss	2,452,588	1,202,289
Total other operating expenses	32,695,836	49,322,421

(1) The prior year write offs relate to a number of intercompany balances written off upon liquidation of the subsidiaries.

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There were no non-audit services during the year (2022: None).

5. Staff Costs

	2023	2022
	\$	\$
Wages and salaries	15,952,919	14,956,137
Social security costs	1,732,039	1,459,804
Other staff costs: medical, insurance & relocation	523,147	513,978
Pension costs (See note 16)	851,312	784,993
	<u>19,059,417</u>	<u>17,714,912</u>

Average monthly number of employees for the period	54	62
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6. Interest Income and Interest Payable and Similar Charges

6.1 Interest Payable and Similar Charges

	2023	2022
	\$	\$
Bank interest paid	310,018	453,750
Finance costs (1)	-	348,917
Bank commission paid	23,433	23,131
	<u>333,451</u>	<u>825,798</u>

(1) Prior year balance relates to an adjustment to the fair value of the contingent consideration payable on the acquisition of the ARC solar project.

6.2. Interest Income

	2023	2022
	\$	\$
Bank interest received	189,892	102,157
Intercompany interest received	437,824	26,145
	<u>627,716</u>	<u>128,302</u>

7. Taxation

7.1 Tax on loss on Ordinary Activities

	2023	2022
	\$	\$
UK current tax		
Withholding tax on dividends received	1,420,593	577,925
	<u>1,420,593</u>	<u>577,925</u>

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Notes to the Financial Statements

Tax reconciliation note	2023	2022
	\$	\$
(Loss)/profit before tax	(17,069,888)	(55,001,864)
Tax at 25% (2022: 19%)	(4,267,472)	(10,450,354)
Dividend income taxed at source	(7,503,592)	(1,886,031)
Expenses not deductible for tax purposes	814,943	3,390,950
Income not taxable	(156,929)	(24,377)
Losses not recognised	11,113,051	8,969,812
Withholding tax on dividends received	1,420,593	577,925
Tax on loss on ordinary activities	1,420,593	577,925

The effective UK corporation tax rate was 25% for the year ended 31st December 2023 (2022: 19%).

7.2. Deferred Tax

The company has gross tax losses of \$181,961,426 (2022: \$147,532,733) which are available indefinitely for offset against future taxable profits and exceed other temporary differences by \$181,961,426 (2022: \$147,532,733). A Deferred tax asset has not been recognised in respect of these losses, as it is uncertain whether future taxable profits will be available to offset against.

8. Tangible Fixed Assets

	Fixtures & fittings	Leasehold	Total
	\$	\$	\$
Cost			
At 31 December 2022	597,903	1,154,488	1,752,391
At 31 December 2023	597,903	1,154,488	1,752,391
Accumulated depreciation			
At 31 December 2022	587,192	705,060	1,292,252
Charge for the period	10,711	115,452	126,163
At 31 December 2023	597,903	820,512	1,418,415
Net book value at 31 December 2023	-	333,976	333,976
Net book value at 31 December 2022	10,711	449,428	460,139

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Notes to the Financial Statements

9. Investments in Subsidiaries and Associate Undertakings

	2023	2022
	\$	\$
Net book value		
At 1 January	329,480,354	316,876,686
Additions	74,161,045	17,065,144
Disposals	-	(2,100,000)
Change in expected deferred contingent consideration	(4,800,000)	-
Impairment loss (See Note 10)	(2,805,856)	(2,361,476)
At 31 December	396,035,543	329,480,354

Investments set out above are made in the following operating, construction and service subsidiary and associate undertakings:

Country of incorporation	Company	Class of share	% Ownership (direct or indirectly)		Principal activities
			2023	2022	
Subsidiaries					
South Africa	De Aar Solar Power (RF) (Pty) Ltd	Ordinary	56.8%	56.8%	Solar generation
South Africa	Droogfontein Solar Power (RF) (Pty) Ltd	Ordinary	56.8%	56.8%	Solar generation
South Africa	Jeffreys Bay Wind Farm (RF) (Pty) Ltd	Ordinary	59%	59%	Wind generation
Tanzania	Songas Ltd	Common	54.1%	54.1%	Gas fired
South Africa	Klipheuwel Wind Farm (RF) Pty Ltd	Ordinary	65%	65%	Wind generation
South Africa	Aries Solar Power (RF) Pty Ltd	Ordinary	51%	51%	Solar generation
South Africa	Konkoonsies Solar Power (RF) Pty Ltd	Ordinary	51%	51%	Solar generation
South Africa	Soutpan Solar Power (RF) Pty Ltd	Ordinary	51%	51%	Solar generation
South Africa	Boshof solar Power (RF) Pty Ltd	Ordinary	51%	51%	Solar generation
Côte d'Ivoire	Azito Energie SA	Ordinary	76.9%	76.9%	Gas fired
Kenya	Malindi Solar Group Ltd	Ordinary	90%	90%	Solar generation
Mozambique	Globeleq Energia Mocambique SA	Ordinary	99.9%	99.9%	Solar generation
UK	ARC Renewable Energy Ltd	Ordinary	100%	100%	Holding entity
South Africa	AGV Projects (Pty) Ltd	Ordinary	100%	-	Holding entity
South Africa	K2022578590 South Africa Pty Ltd (Phula)	Ordinary	100%	-	Holding entity
			2023	2022	
Associates					
Kenya	Tsavo Power Company Limited	Ordinary (1)	30%	30%	Oil fired generation

(1) Investment in associate held for sale, as at 31 December 2023 the book value of the investment is nil. The entity is expected to be disposed of in 2024.

Globeleq Africa Limited has claimed exemption from preparing consolidated financial statements, as the Company is a controlled subsidiary of Globeleq Africa Holdings Limited. Consolidated financial statements are prepared by Globeleq Africa Holdings Limited and filed with The United Kingdom's Registrar of Companies ("Companies House").

Notes to the Financial Statements

10. Impairment charges

The investments in subsidiary and associate undertakings are tested for impairment on an annual basis, or more frequently if there are indications that amounts might be impaired. The impairment test involves determining the recoverable amount of the investment and loans receivables, which corresponds to the higher of fair value less costs of disposal or the value in use.

Impairment of investment in Beaufort West & Trakas

On 1 September 2023, the Company acquired 100% of shares in Beaufort West Wind Farm Proprietary Limited and Trakas Wind Proprietary Limited, with the purpose of enabling Globeleq a strategic entry route into the direct sales market in South Africa and position Globeleq as a supplier to two of the largest intensive energy users. Subsequent to the acquisition uncertainty arose over the ability of the projects to access the electricity grid, which resulted in the Company impairing the \$2,805,856 investment in full.

The prior year balance predominantly related to the Company's investments in the Keren early stage South African solar projects, which were impaired in full as a result of the failure of the projects in the South African REIPPPP Round 6 bid process.

11. Debtors

	2023	2022
	\$	\$
Amounts owed by group undertakings (1)	69,131,884	276,505,516
VAT receivable	671,359	320,280
Prepayments	2,070,829	1,281,566
Other debtors	1,469,950	640,727
	<u>73,344,022</u>	<u>278,748,089</u>

(1) In 2023 receivable and payable balances with the same intercompany counterparties have been netted where related. Amounts owed by group undertakings include \$4,366,667 of intercompany loans which are at market interest rate and repayable on demand.

12. Cash

	2023	2022
	\$	\$
Cash at bank	<u>10,210,501</u>	<u>17,537,284</u>

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Notes to the Financial Statements

13. Creditors

Current:

	2023	2022
	\$	\$
Trade creditors	11,266,385	2,275,398
Amounts due to group undertakings (1)	94,314,268	215,778,955
Other taxes and social security	343,957	294,487
Accruals	8,175,339	8,174,998
	114,099,949	226,523,838

(1) In 2023 receivable and payable balances with the same intercompany counterparties have been netted where the underlying balance are related. Amounts due to group undertakings include \$2.5m of intercompany loans which are at a market interest rate and repayable on demand.

14. Contingent consideration

	2023	2022
	\$	\$
Current contingent consideration (1)	5,694,927	848,750
Non-current contingent consideration (2)	1,977,368	4,800,000
	7,672,295	5,648,750

(1) 2023 relates to the acquisition of two renewable development projects in South Africa; AGV Projects (Pty) Limited & K2022578590 South Africa Pty Ltd ("Phula"). The contingent consideration payable is dependent on certain milestones being met, as a result the timing and quantum of the outflows are uncertain and the balances recognised are at fair value.

(2) The current year balance relates to the acquisition of Phula. The \$4.8m prior year balance relates to contingent consideration recognized as a result of the acquisition of the QIPP gas project in Nigeria. The fair value of the contingent consideration was remeasured to nil in the current year.

15. Provisions

	2023	2022
Current:	\$	\$
As at 1 January	8,229,741	-
Provided during the year	1,355,129	8,229,741
Exchange difference	(579,819)	-
	9,005,051	8,229,741
Non-current:	\$	\$
As at 1 January	3,110,764	-
Provided during the year	3,110,764	3,110,764
	6,221,528	3,110,764

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Notes to the Financial Statements

A provision of \$ 9.0m has been recorded for bonds related to project development (2022: \$ 8.2m). Timing of the outflow is expected to be in 2024.

A provision of \$6.2m was recognised in relation to a long-term employee incentive programme which covers years 2022-2024 and paid in 2025 and 2026 respectively (2022: \$ 3.1m)

16. Operating Lease Commitments

The operating lease commitments as at 31st December 2023 are as follows:

	2023	2022
	\$	\$
Within one year	837,341	1,005,163
After one year but not more than five years	1,077,632	1,714,040
	<u>1,914,973</u>	<u>2,719,203</u>

17. Share Capital

	2023	2022
	\$	\$
At 31 December		
Ordinary shares of £1 each	<u>339,485,650</u>	<u>339,485,650</u>

18. Post-Employment Benefit Plans

From 1 July 2004, the Company commenced a pension scheme. This is a defined contribution scheme and is managed by Aviva. Contributions to the scheme are charged to the Statement of Comprehensive Income when payable. Contributions for 2023 totalled \$851,312 (2022: \$784,993). There were no outstanding amounts at 31 December 2023.

19. Related Party Transactions

During the year the Company conducted transactions with the following related parties:

- Globeleq Geothermal (Kenya) Limited: during the year the Company provided an additional loan amounting to \$2,570,305 in relation to Menengai acquisition (2022: \$1,160,000). The interest rate is 12% with a maturity date of December 2042. The company also provided a loan of \$3,500,500 in relation to Menengai acquisition. The interest rate is 1.5% with a maturity date of December 2032.
- During the year the Company provided ARC for Renewable Energy SAE \$3,736,579 working capital due to the US Dollar currency shortages arising in Egypt.

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Notes to the Financial Statements

The Company enters into Intercompany working capital movements with Globeleq Group companies. The closing net position with each entity is detailed below.

Balance sheet	2023 Net Receivable/ (Payable) \$	2022 Net Receivable/ (Payable) \$
Globeleq Africa Holdings Limited	654,776	82,195,352
Globeleq Expatriate Services Limited	-	-
BII Financial Services	-	72,500
Globeleq Tanzania Services Limited	3,991	5,188
Tsavo Power Company Limited	-	-
Songas Limited	(25,916)	(79,819)
Globeleq Somanga Limited	202,111	177,229
Globeleq Tanzania Limited	177,875	142,768
Globeleq Holdings (South Africa) B.V.	-	-
Globeleq Holdings (Zambia) Limited	359,515	350,615
Globeleq Holdings (Kenya) Limited	25,898,957	25,255,367
Globeleq Nominees Limited	5,807,968	5,818,351
Globeleq Holdings (Songas) Limited	(81,164,854)	(79,306,924)
Globeleq Nigeria Limited	2,007,783	-
Azito Energie S.A.	265,117	(14,724)
Azito O&M S.A.	284,186	214,738
Globeleq Cameron Management Services S.A.	103,500	(101,374)
Globeleq Holdings (Cote D'Ivoire) B.V.	6,079,266	4,291,770
Globeleq Kenya Asset Management Limited	2,035,079	1,815,893
Globeleq South Africa Holdings (PTY) Ltd	-	-
Kribi Power Development Company S.A.	979,489	759,103
Globeleq Kenya Limited	(3,134,223)	(1,263,721)
Globeleq Holdings Cameroon B.V.	55,261	44,858
Globeleq Mozambique Renewables Holdings (Pty) Ltd (1)	4,215,174	549,900
Dibamba Power Development Company S.A.	722,092	562,504
Temane Energy Consortium (Pty)	(4)	224,995
Globeleq Aurora Sola One Limited	(25,774)	(81,712)
Globeleq Aurora Sola Two Limited	1,829	-
Globeleq Holdings (Tanzania) Limited	27,689	18,427
Globeleq Investment Limited	27,378	18,428
Cinergy Holding Company B.V.	192,959	161,716
ARC Renewable Energy Limited (1)	9,377,129	9,235,648
Central Termica de Temane SA	446,667	279,725
Globeleq Energia Moçambique SA	289,589	(60,698)
Globeleq Overseas Services Limited	5,887,600	2,811,401
Globeleq South Africa Management Services QIPP Investment B.V.	3,602,979	4,965,650
Aboadze Power Company Limited	31,124	31,124
Globeleq Tanzania Energy Limited	24,293	11,500
Globeleq Tanzania Power Limited	24,328	11,512
ARC for Renewable Energy SAE	3,903,200	139,743
Globeleq Geothermal (Kenya) Limited (1)	7,871,569	1,487,297
Globeleq Zambia Wind Limited	(622)	(17,659)
Globeleq Egypt Energy LLC	3,912	-
AGV Projects (Pty) Limited (1)	111,283	-
K2022578590 South Africa (Pty) Ltd (Phula) (1)	116,350	-
Globeleq Central Africa Holdings (Pty) Limited	49,995	-
Amounts owed to other related party companies	(115)	(110)
Total	(2,509,496)	60,726,561

(1) Includes non-current loan receivables balances listed below:

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	2023	2022
	\$	\$
Globeleq Geothermal (Kenya) Limited	4,225,109	-
Globeleq South Africa Management Services	5,993,242	-
ARC Renewable Energy Limited	6,831,087	-
Globeleq Mozambique Renewables Holding (Pty) Limited	5,395,817	-
African Green Ventures (Pty) Limited	111,283	-
Kk2022578590 South Africa (pty) Ltd (Phula)	116,350	-
Loans Receivable	22,672,888	-

20. Directors' Remuneration

Directors' remuneration totalled \$1,806,389 for the year (2022: \$1,541,696).

This includes an accrual for \$515,953 in relation to a long-term employee incentive programme which covers the years 2022-2024 and paid in 2025 and 2026 respectively. (2022: \$528,173)

The highest paid director was paid \$583,437 in 2023 (2022: \$510,173). In addition, an accrual was made for \$315,529 in relation to a long-term employee incentive programme which covers years 2022-2024 and paid in 2025 and 2026 respectively. (2022: \$323,002).

Post-employment benefits totalled \$6,843 in 2023 (2022: \$3,266).

21. Ultimate Parent Company

Globeleq Africa Limited is a wholly owned subsidiary of Globeleq Africa Holdings Limited itself owned by Globeleq Limited. The Company's ultimate parent undertakings are British International Investment PLC and Norfund.

22. Post Balance Sheet Events

There were no reportable events after the reporting period which require disclosure or adjustment in the financial statements.