



18 December 2023

**Chariot Limited**  
("Chariot", the "Company" or the "Group")

### **Increased Holding in Electricity Trading Joint Venture in South Africa**

*Unlocks participation in significant renewable projects in large deregulating energy market*

Chariot Limited (AIM: CHAR), the Africa focused transitional energy group, is pleased to announce that it has increased its stake in the South African electricity trading company Etana Energy (Pty) Limited ("Etana") alongside H1 Holdings (Pty) Limited ("H1").

On completion, Chariot will own 49% (previously 25%) and H1 will own 51% (previously 26%) of Etana. This transaction involves Chariot and H1 in substance acquiring the 49% of Etana previously held by the Neura Group, on identical pro rata terms. H1 is a black-owned and managed company based in South Africa, which has a proven track record in developing and investing in large renewable projects.

- Etana holds one of the few electricity trading licences granted by the National Energy Regulator of South Africa, enabling it to buy and sell electricity through the national transmission grid.
- South Africa has the largest electricity market on the continent, but it suffers regular power outages due to insufficient supply. To combat this energy crisis, rapid market deregulation is currently taking place, facilitating the build of renewable energy projects.
- Etana's business plan is to deliver unique renewable energy mix solutions at competitive prices to help address these significant power requirements across South Africa, with the trading licence opening up access to high-volume electricity consumers, including municipal, industrial and retail customers.
- Electricity trading will bring an additional revenue stream into Chariot and further enable Chariot's participation in large renewable projects in Southern Africa.

**Benoit Garrivier, CEO of Chariot Transitional Power commented,** "We are very pleased to be increasing our exposure to the South African energy market by acquiring this additional stake in Etana. We will not only get an increased split of future revenues, but the electricity trading business unlocks significant renewable generation capacity which we are looking to develop in South Africa. We are tapping into the future growth of an essential market, one that is rapidly transforming and expanding, and we look forward to playing a material role within this together with H1 and other major commercial partners."

**Reyburn Hendricks, CEO of H1 Holdings commented,** "As a long time independent power producer in the South Africa electricity market, we are convinced that the way to unlock project finance based power generation projects is through the utilization of privately licensed trading companies. As one of the first movers in this space, we believe that Etana is well positioned to capitalize on this exciting opportunity."

## Key deal terms:

- Chariot is acquiring 49% of Etana from the Neura Group, with H1 acquiring 25% of Etana from Chariot, contemporaneously. This transaction results in a simplified ownership structure and commercial terms are identical for Chariot and H1 on a pro rata basis.
- Upfront cash consideration is net c.US\$0.3m on completion with a further c.US\$0.7m payable by 31 March 2024.
- Success based contingent payments of net c.US\$1.6m on financial close of a 250MW generation project and a further consideration of net c.US\$2.6m payable in 2028, subject to further significant generation projects reaching financial close.
- The upfront consideration will be paid from current cash balances with success fees payable from future subsidiary level project finance.

## Disclosure relating to Chariot

Adonis Pouroulis, CEO and director, of Chariot, beneficially controls 28.21% per cent. of the total voting rights in the Neura Group. The Neura Group is not considered to be a related party for the purposes of the AIM Rules for Companies and the Company confirms that the transaction was negotiated on an arms-length basis between Chariot, H1 and the Neura Group sellers.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014, as retained in the UK pursuant to S3 of the European Union (Withdrawal) Act 2018.

## Enquiries

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## NOTES FOR EDITORS:

### About Chariot

Chariot is an Africa focused transitional energy group with three business streams, Transitional Gas, Transitional Power and Green Hydrogen.

Chariot Transitional Gas is focused on high value, low risk gas development projects in Morocco, a fast-growing emerging economy, with a clear route to early monetisation, delivery of free cashflow and material exploration upside.

Chariot Transitional Power is focused on providing competitive, sustainable and reliable energy and water solutions across the continent through building, generating and trading renewable power.

Chariot Green Hydrogen is partnering with TEH2 (80% owned by TotalEnergies, 20% by the EREN Group) and the Government of Mauritania on the potential development of a 10GW green hydrogen project, Project Nour in Mauritania, and are progressing pilot projects in Morocco.

The ordinary shares of Chariot Limited are admitted to trading on the AIM under the symbol 'CHAR'.

<https://chariotenergygroup.com>