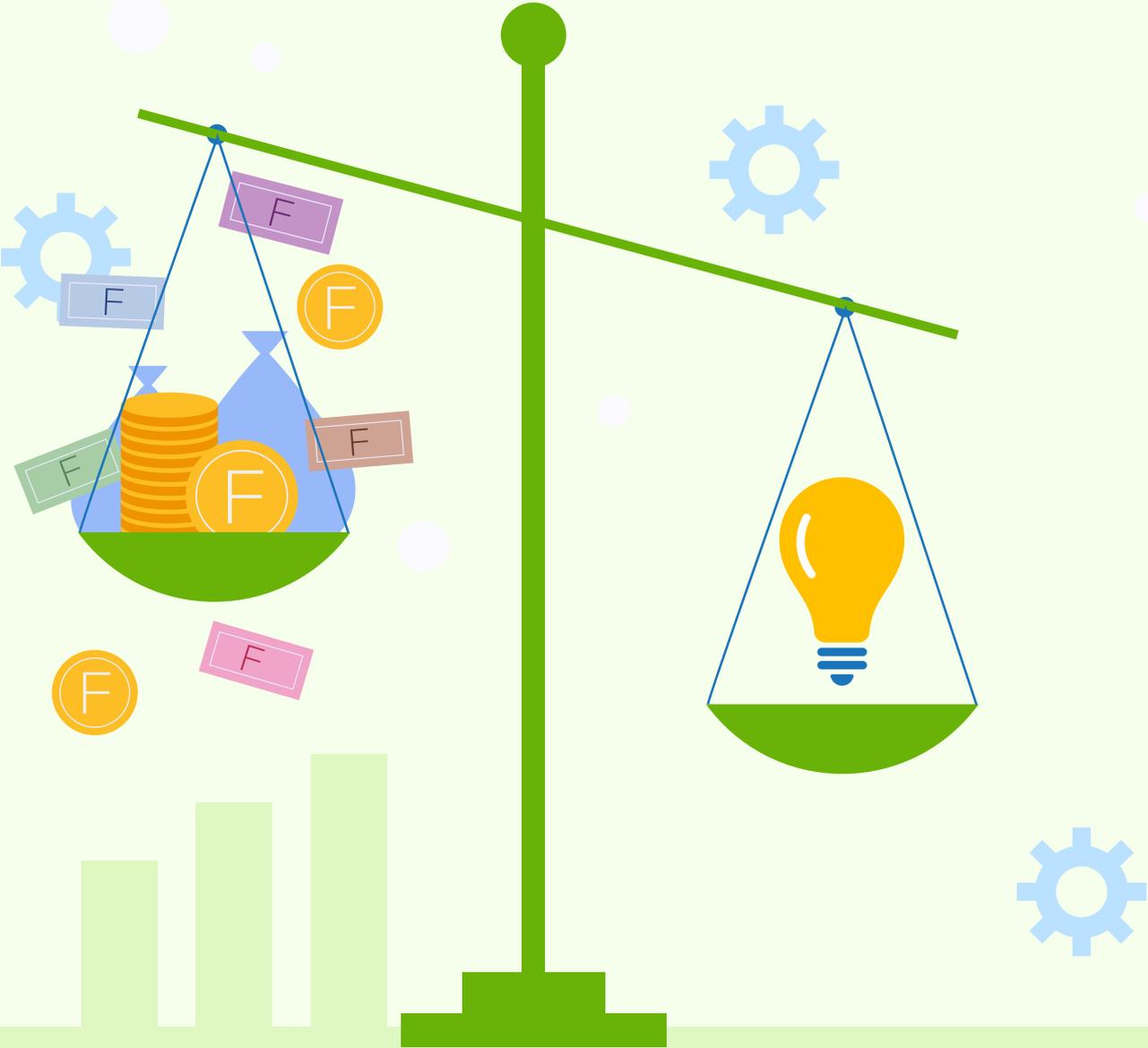


FOR THE ELECTRICITY SECTOR'S FINANCIAL BALANCE

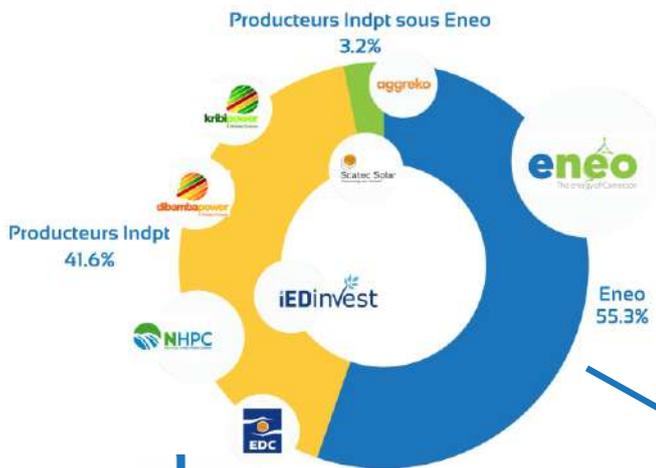


About the electrical sector

2023 Generation

Independent Power Producers vs Eneo

Installed capacity 1 742,22 MW



Water management

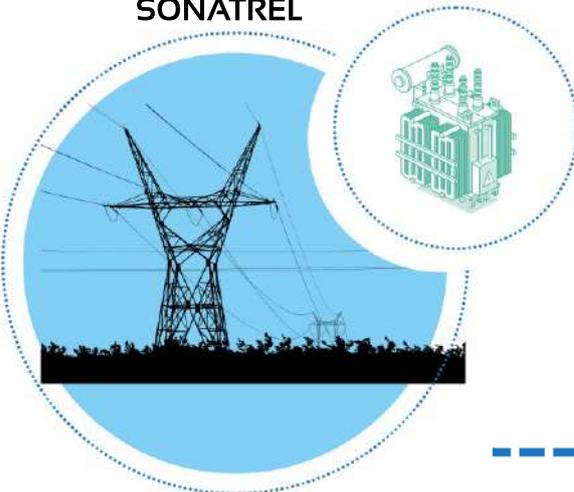
(Retenue et fourniture au producteurs hydro)

EDC



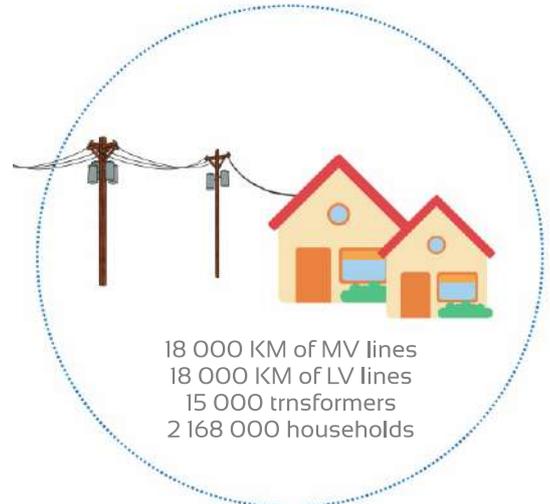
MINEE : Coordination
ARSEL : Regulation

Transport
SONATREL



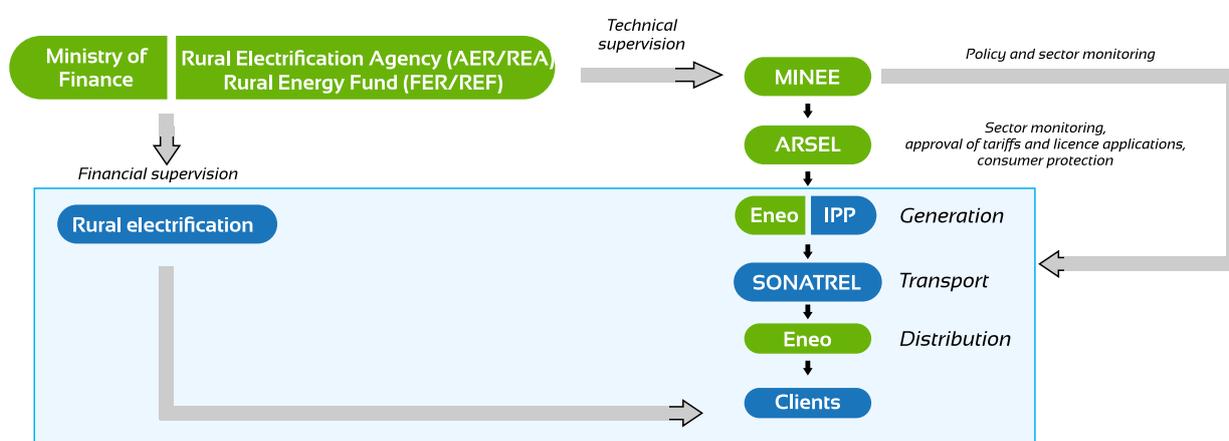
Distribution & commercialisation

Eneo





Industry participants and relationships with Eneo



Entity	Role
Ministry of Finance Ministry of Water Resources and Energy (MINEE)	Provides financial oversight of the AER and FER Responsible for defining and implementing electricity policies
Electricity Sector Regulatory Agency (ARSEL)	Electricity Sector Regulator
Electricity Development Corporation	A public utility. Water manager for producers. Project developer at the request of the government. Operator of some power plants (Memve'ele).
National Electricity Transmission Company (SONATREL)	Electricity Transmission System Operator
Rural Electrification Agency (AER)	A public institution that promotes and develops rural electrification projects throughout the country, with a Rural Energy Fund to finance rural energy projects.
Electricity of Cameroon (Eneo)	A private company that operates the national distribution network and some hydroelectric, thermal and solar power plants under a 20-year concession agreement, which has been extended for a further ten years (until November 2031).

ELECTRICAL MAP

October 2024

Active customers 2 168 000

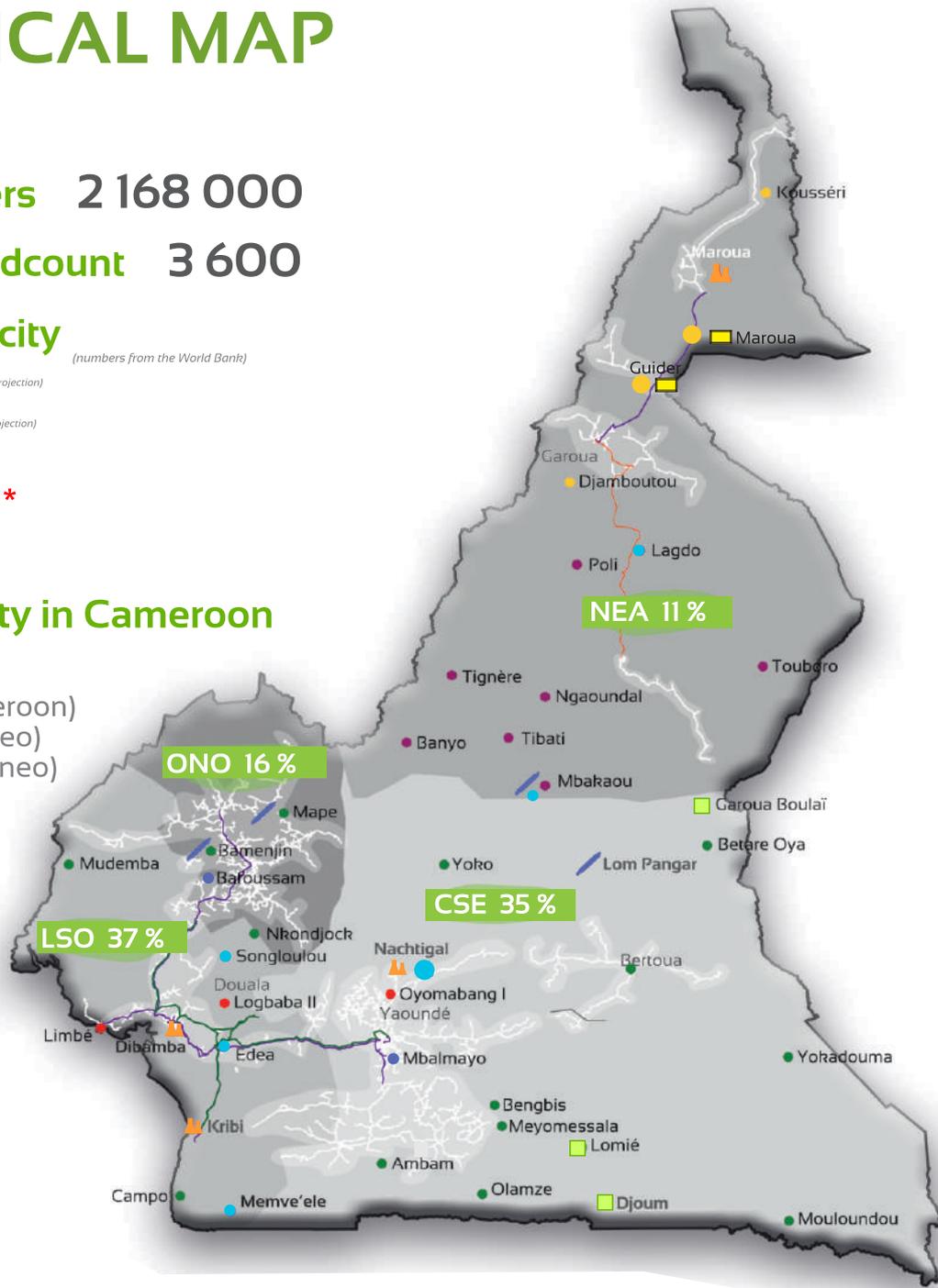
Employees headcount 3 600

Acces to electricity

- > 2024 : 75 % (projection)
 - > 2023 : 73 % (projection)
 - > 2022 : 71 % *
 - > 2021 : 65,4 % *
- * (numbers from the World Bank)

Installed capacity in Cameroon

1 742 MW
 (963 MW, Eneo Cameroon)
 (55 MW IPP under Eneo)
 (724 MW IPP out of Eneo)



Clients percentage

- NFA** North, Far North, Adamawa
- WNW** West & North West
- CSE** Center, South & East
- LSW** Littoral & South West

Legend

Lines HV transmission — 225 — 110 — 90 MV distribution — MV Distribution	Plants Interconnected thermal ● HFO South ● LFO South ● North	Remote thermal ● South ● North	Others ● Hydroelectric ■ Solar ■ Solar hybrid ▲ Independent producers / Dams
---	--	---	--

200 km

About Eneo

Eneo Cameroon is the long-standing electricity producer and distributor in Cameroon. In collaboration with other actors of the electricity sector, Eneo's aim is to provide reliable energy and service quality at an affordable price, while striving to become a model of governance.

With around 60% of the installed capacity in Cameroon, Eneo Cameroon maintains, develops and operates a generating fleet of 1018 MW, of which 963 MW are under its own management and 55 MW under licensed partners. It has 43 power stations, including the country's three historic hydroelectric power stations (Songloulou, Edéa and Lagdo), thermal power stations and solar farms.

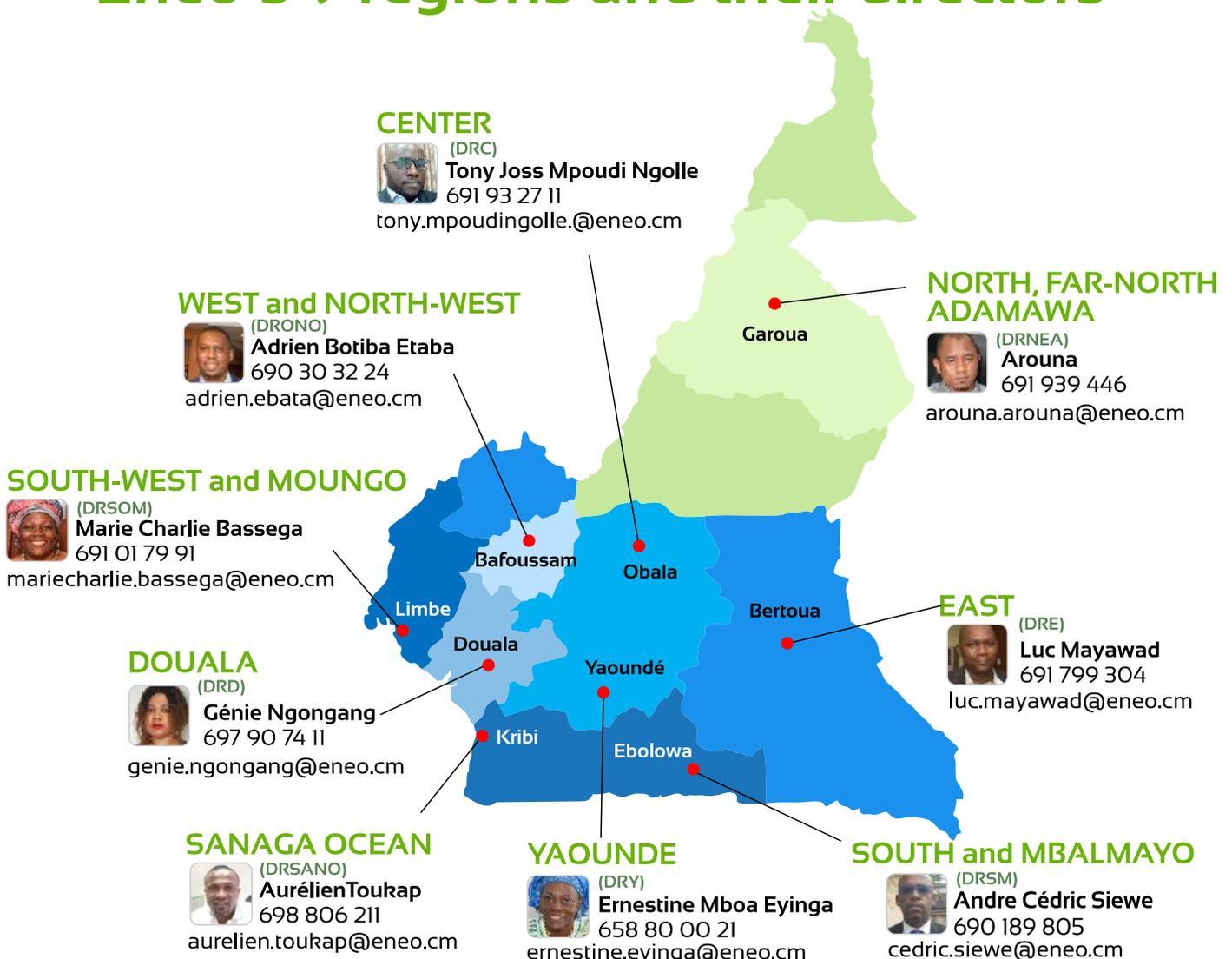
The distribution network consists of 19,016 km of medium-voltage lines and 18,177 km of low-voltage lines, with wood, metal or concrete poles, transformers in small cabins or high up on poles in

neighbourhoods, naked medium-voltage cables and insulated low-voltage cables. In total, Eneo's distribution network has around 15,000 transformers.

Since 2014, Eneo has connected an average of 100,000 new households and businesses to the electricity network. This means that around 10 million more Cameroonians have had secure access to electricity since then, helping to increase the country's electricity access rate from 56% in 2014 to 71% in 2022 (73% projected for 2023 and 75% for 2024).

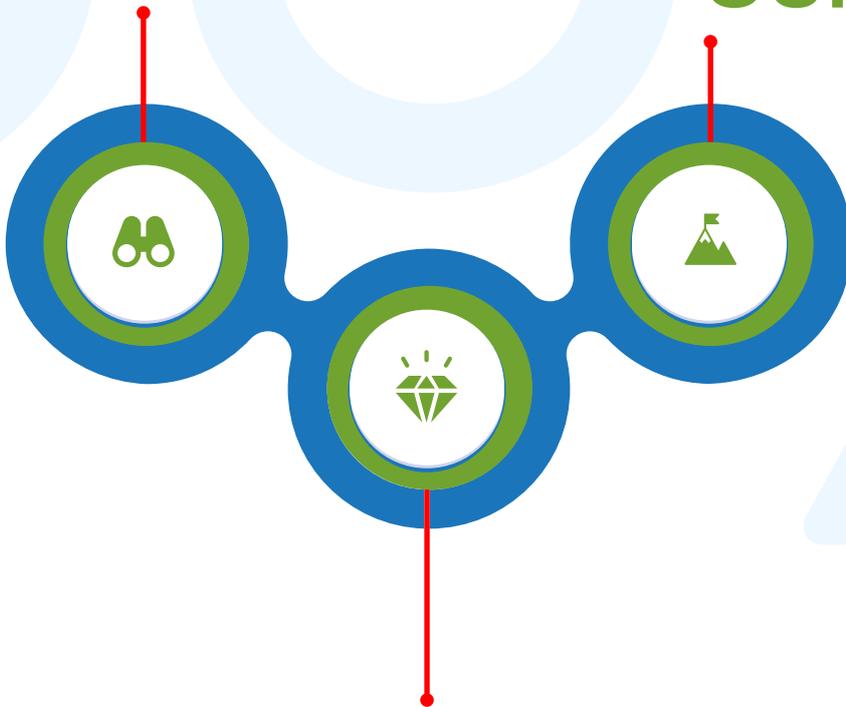
Eneo is a mixed capital company. Its shareholders are the Actis Investment Fund (51%), the Government of Cameroon (44%) and employees (5%). Its 3,600 employees are bound by the values of Integrity, Commitment, Respect and Cohesion to help transform and improve the country's electricity service.

Eneo's 9 regions and their directors



OUR VISION

Force motrice du secteur électrique, catalyseur de croissance, Eneo fournira une énergie fiable, un service de qualité, en étant un modèle de gouvernance en Afrique.



OUR MISSION

- Répondre à la demande croissante en électricité, en fournissant une énergie fiable et sécurisée ;
- Offrir un service de qualité et faciliter l'accès à l'électricité au plus grand nombre
- Protéger le public par la sensibilisation sur les dangers du courant électrique ;
- Dynamiser la relation client par des innovations et des expériences positives ;
- Rechercher en permanence l'excellence en tirant les leçons de nos expériences ;
- Mener nos activités dans une démarche socialement responsable.

OUR VALUES



▶ ENGAGEMENT

Etre motivé et animé d'une force positive pour travailler avec dévouement et professionnalisme, en mettant le client au centre de nos priorités.



▶ RESPECT

Respecter les diversités, les sensibilités, les points de vue, et en tirer l'énergie pour construire le présent avec optimisme et l'avenir avec audace.



▶ INTEGRITY

Fil conducteur de toutes nos activités, elle commence par l'application par tous les coéquipiers et parties prenantes d'Eneo de valeurs choisies comme socle commun.



▶ COHESION

Pour réussir, Eneo doit mobiliser l'ensemble de son corps social dans un même esprit d'équipe afin de faire de nos activités une source durable de progrès pour notre pays et d'épanouissement pour notre personnel.

Operations

Financial performance *HSE*

Sector **Electricity**

Distribution **Production**

Challenge *Collections* *CSR*

CAPEX-Investments

Cash flow Customer experience

Access to electricity

CONTENT

2 About the electrical sector

Actors of the sector and relationships with Eneo

5 About Eneo

Electrical map

Eneo's 9 regions and their directors

Vision, mission, values

8 Foreword

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The sector

Board of directors

Organization and governance

CODIR

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Summary of results

HSE

Generation

Supply / demande balance

Distribution

Commercial

Cash collection

Customer experience

Support to operations



2023 Key figures

2022 statistics

Active customers

↑ 2 029 656
1 917 553

Connections realized

↓ 112 260
130 297

Duration of interruptions
is decreasing

(Eneo Distribution)
↑ 46 heures/an
57,6 heures/an

Frequency of interruptions
has dropped

(Eneo Distribution)
19,8
19,8

Headcount

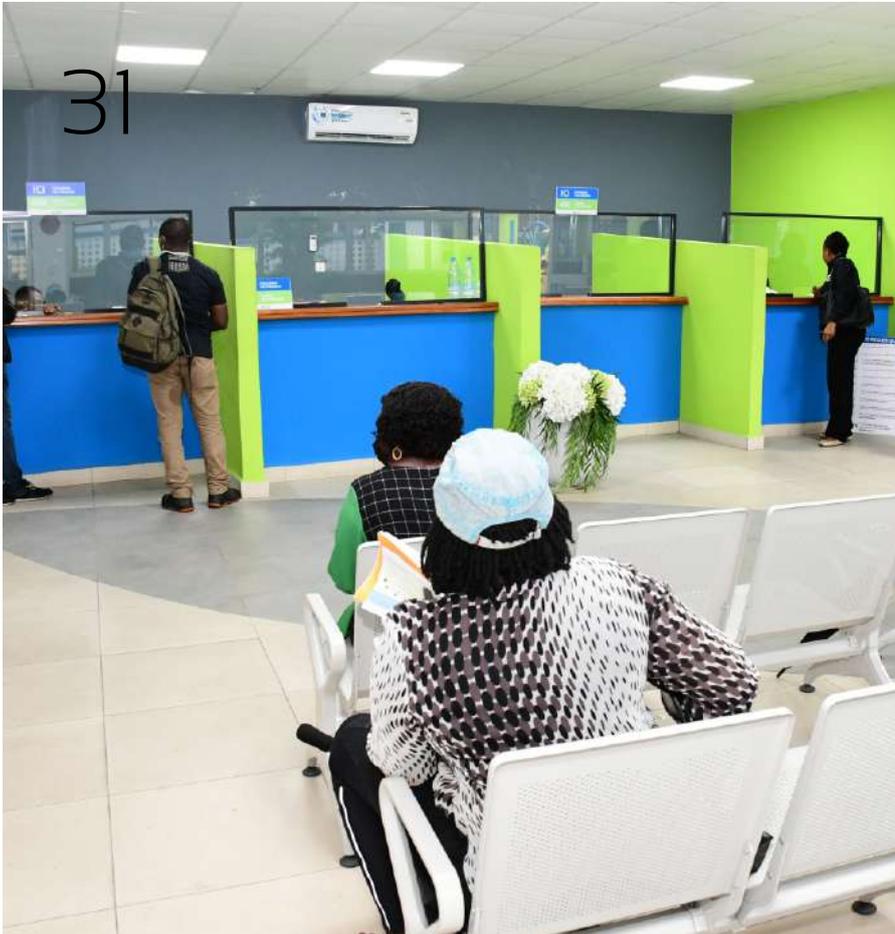
3 600
3 600

Distribution Efficiency

↓ 75,24 %
75,75%

Investments realized

↓ 36,6 milliards
73,9 milliards



42 Financial performance

Margin analysis

Direct cash flow

CAPEX portfolio follow up

48 Highlights and outlook for 2024

Major events

Outlooks



Foreword

2023 was a year of many challenges for ENEO.

Cameroon's electricity sector is at a turning point.

2023 was a year of many challenges for ENEO. The company grappled with deterrent factors such as financial constraints of the sector and pressure from its energy and fuel suppliers.

In this regard, one of the red flags is that the financial restructuring of the sector - a critical stage and a prerequisite for the proper implementation of the various provisions of Amendment No. 3 to the Concession Agreement - remains a major challenge to be finalised with public authorities.

All through 2023, ENEO's Management undertook various initiatives and conducted negotiations with the government to ensure the financial stability of the sector. These initiatives generated the following results:

- 57.80 billion paid to ENEO in 2023 as debts and outstanding amounts from the State (39 billion), its departments/agencies and publicly-owned companies (18.8 billion);
- 41.9 billion monetisation in January 2023n 2023, the State paid Eneo the sum of 57.80 billion to offset various debts and outstanding bills;
- The partial recovery of debt owed by some State-owned companies (ALUCAM, CAMWATER, CICAM and CDC) to the tune of 30 billion as debt;

The actors in the sector and ENEO's shareholders must be conscious that this turning point brings new opportunities for everyone.

- The roll-out of a plan to reform the electricity sector notably by the P4R Programme financed by the World Bank to support investment in the sector.

However, it remains true that the financial stability of the sector was an issue all through 2023 and this is attested by:

- The persistence of outstanding bills from public bodies and government agencies;
- The persistence of significant ENEO debts vis-a-vis major suppliers of the sector;
- Difficulties in supplying imported fuel for the country's energy demands;
- The problem of non-approval or partial approval by government authorities for the disbursement of huge sums necessary for the financial stability of the sector (tariff compensation, public lighting, government power consumption in the last 4 months of 2023...).

This precarious situation led to two major periods of limited power supply to all our customers in the course of the year (February-March and November-December), due to the suspension of power supply from two power plants operated by an independent producer. This situation generated a cascade of negative impacts for the company, the sector and the State.

This was worsened by the delay in the commissioning of the Nachtigal hydroelectric power plant (postponed to 2024), which also had an effect on the supply-demand balance, forcing the company to consume more fuel than projected, thereby exacerbating the cash flow constraints in the sector.

Despite these serious constraints, it should be pointed out that the company continued to pursue key aspects of its mission:

- Preservation of generation equipment;
- Commissioning of a solar fleet in the North thanks to an innovative contractual framework;
- Continued development of access to electricity;
- Deployment of serious measures for the recovery of outstanding payments from public and



private customers ;

- Reorganisation of the company through the deployment of a decentralisation strategy in order to empower the regions to intervene more effectively in the improvement of service quality and to improve their response time during operations.

Also, various initiatives were undertaken to restore the social climate:

- The selection of a new health insurance consultant for employees and their families;
- The implementation of provisions in the New Collective Bargaining Agreement that were negotiated in 2022;
- The consideration of issues related to the management of GIC-P ENEO, bearer of 5% of the company's shares;
- The continuation of the programme to award medals to Eneo employees;
- The resumption of regular dialogue between social partners.

Lastly, 2023 was also marked by negotiations between the Government of Cameroon and Actis regarding the sale of Actis shares to the Government of Cameroon.

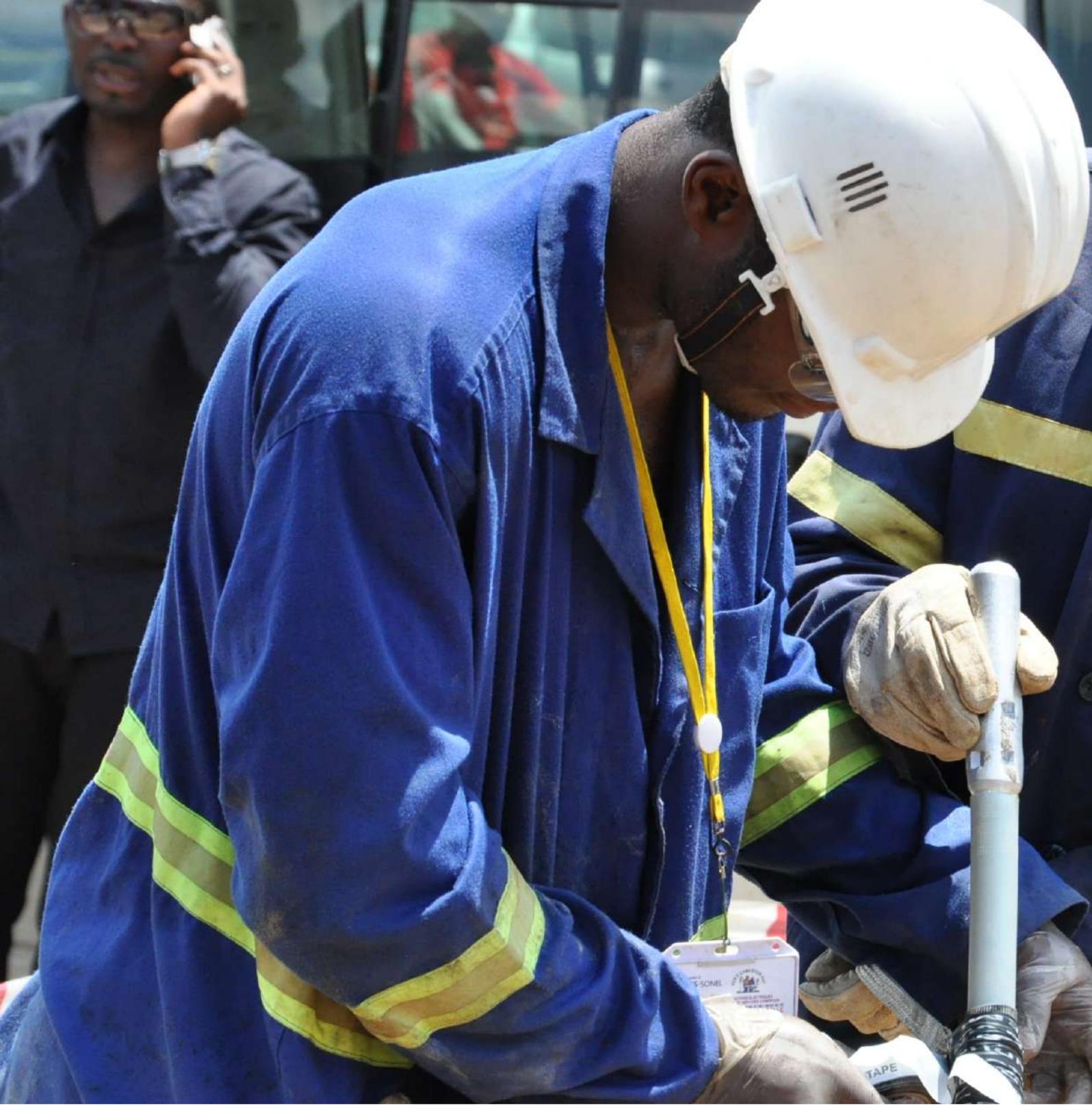
To help the company operate more smoothly in 2024, and in particular to meet the challenge posed by the arrival of the Nachtigal hydroelectric power plant, it is important:

- Accelerate financial reform measures in the sector: this implies, in particular, greater commitments from public customers in terms of payments and clearance of their outstanding bills;
- Resolve the recurring problems of partial (and insufficient) acknowledgement in the Tariff Base of the actual level of investment made by the company;
- Resolve the issue of acknowledging the operator's rights with regard to public lighting billing;
- Enable the company to restructure its medium to long-term debt (to do this, the sector must be able to send positive signals to the local financial market);
- Speed up the technical conditions for serving industrial customers.

Cameroon's electricity sector is at a turning point. The actors in the sector and ENEO's shareholders must be conscious that this turning point brings new opportunities for everyone (starting with customers). However, the failure to resolve financial issues is likely to jeopardise the promising new dynamic that is opening up for the sector.

The general manager.





OVERVIEW OF THE COMPANY IN 2023

The sector
Board of directors
Organization and governance
CODIR



THE SECTOR

In addition to the asphyxiating cash flow situation affecting all actors, and further to the contextual factors mentioned above, the electricity sector in 2023 was marked by:

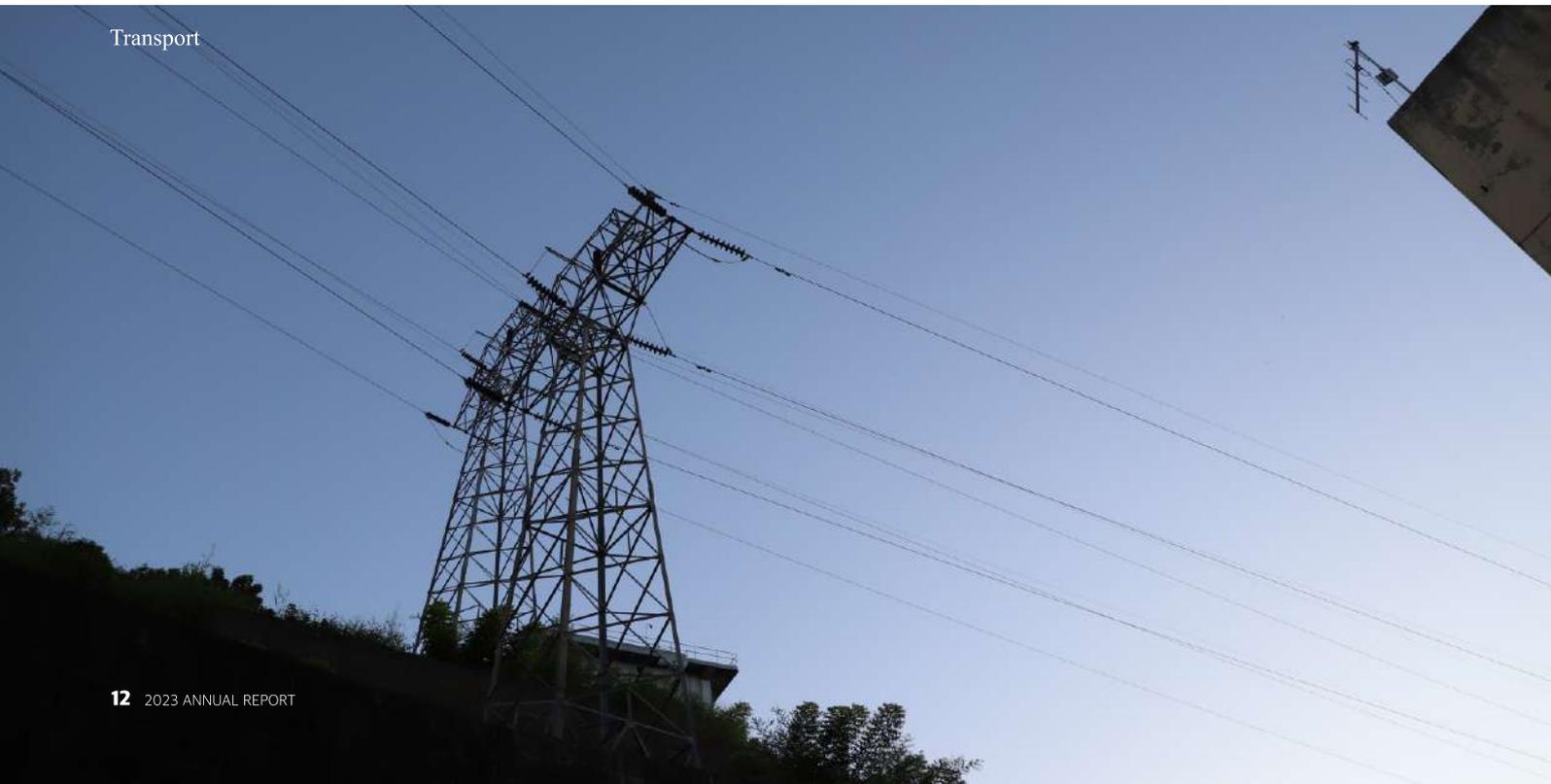
- The persistence of security crisis in the North-West, South-West and Northern Regions;
- Customers are more demanding with regard to service quality but with a poor purchasing power;
- Lack of infrastructure for transmission networks and source substations;
- Pressure from independent energy suppliers, who are more demanding when it comes to paying their bills and no longer hesitate to suddenly shut down their power stations (Globelec,

Agreko, Release);

- Difficulties having access to certain localities covered by networks;
- Overall increase in demand of 6.4% (urban and rural);

However, the following should be noted

- The water table is favourable
- Improved supply on the Northern Interconnected Grid, boosted by the effectiveness of the Maroua and Guider solar power plants;
- In response to the crisis in the sector, the Government and international donors have set up the PRSEC programme, as part of the national development strategy by 2030, with its Program for Results component (emergency investment plan 2024-2026).



Board of directors (2024)



Pr. Seraphin Magloire FOU DA
Chairman of the Board of Directors,
Secretary -general at the Prime Minister's Office
Republic of Cameroon

Representatives of Actis



David GRYLLS



David ALDERTON



Funke OKUBADEDJO



Miranda Epitacio



Amine Homman
General Manager Eneo

Independent Administrator



Elias PUGONG PUPESIE

Government Representatives



Gilbert Didier EDOA
Ministry of Finance
Representative



Adolphe THOME
Ministry of Energy
Representative



Alhadji MAGRA MASSAOU
Ministry of Economy
Representative

Representative of Worker's Shareholding



Pierre Narcisse BOLLANGA

The Board of Directors of Eneo Cameroon relies on the work of specialised committees.

Their mission is to enlighten the Board's reflections and to help in the decision making process. There are five committees:

1. Operations (technical affairs, loss reduction and customer relations);
2. Remuneration and appointments;
3. ESG (environment, safety, governance);
4. Strategic affairs;
5. Audit.

Shareholders

In 2017, Eneo restructured its capital, with the entry of employees into the shareholding structure.

- The Government of Cameroon: holds 44% of the shares
- Actis: 51% of the shares are held by Actis represented by Cameroon Power Holdings (CPH)
- Employees: Employees own 5% of the shares. They are constituted as the Joint Initiative Group for the Socio-Economic Promotion of Staff (ICG-P. Eneo) and belong to three trade union organizations.

Board members	Operations	Remuneration and Appointment	ESG	Strategic Affairs	Audit
Séraphin Magloire FOU DA					
David Grylls	Member	Member	Member	Member	Member
David Alderton	Member	Chairman	Member	Member	Member
Funke Okubadedjo					Member
Miranda Epitacio	Member	Member			
Amine Homman Ludiye	Chairman		Member	Chairman	Member
Elias Pungong Pupesie					Chairman
Elias Pungong Pupesie				Member	Chairman
Gilbert Didier Edoa		Member			Member
Adolphe Ndjouke Thome	Member				
Alhadji Magra Massaou			Member	Member	
Pierre Narcisse Bollanga	Member	Member		Member	Member

ORGANISATION AND GOVERNANCE

The year 2023 was marked by major changes in the company's organization adopted by the Board of Directors notably taking up office of a new General Manager.

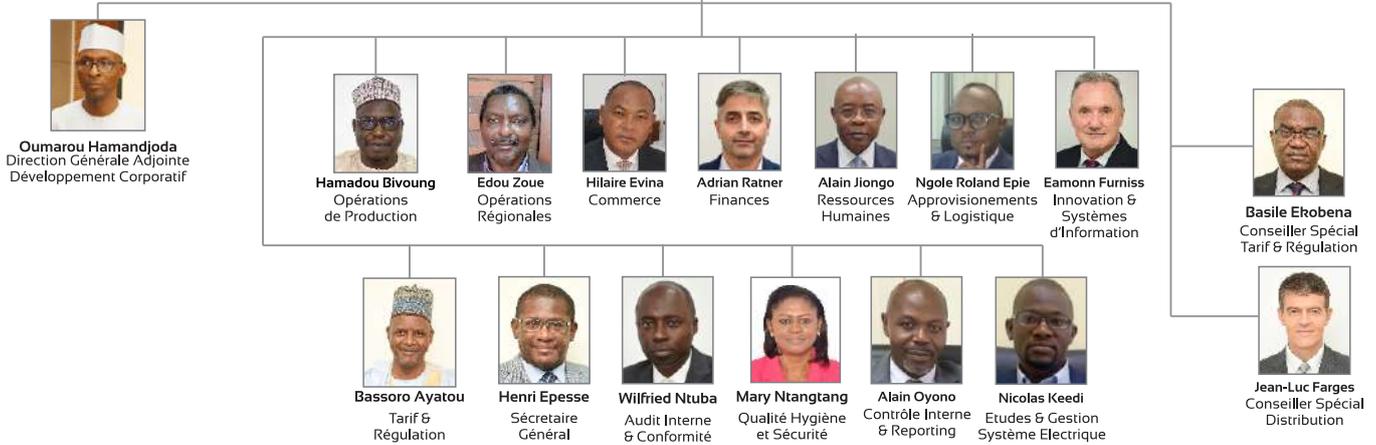
The following organizational adjustments should also be noted:

- The change from Deputy General Directorate for Generation to Central Directorate for Generation;
- The reconstitution and transfer of the General Inspectorate to the Head Office;
- The appointment of a new Human Resource Director;
- The appointment of a new Procurement and Logistics Director.
- The transfer of the Department of Regional Operations to the Head Office as part of the decentralisation process.
- The transformation





Amine Homman Ludiye
Directeur Général



The governance bodies in the year 2023 remained the same i.e:

CODIR: First Level Management Steering Committee

It is the decision-making body for cross-functional strategic and managerial aspects. All areas of activity carried out by support staff are overseen by the CODIR, which involves, as far as possible, the members of the management team concerned.

COFIL: Steering Committees by delegation of the CODIR

By delegation from the CODIR, COFILs are decision-making bodies for everything that concerns their areas of activity. They report regularly to CODIR on the decisions taken, meet as needed and produce a report.

The steering committees are as follows:

- The Investment Steering Committee;
- The Human Resources Steering Committee;
- The Legal Affairs Steering Committee;

- The Health, Safety and Environment Steering Committee;
- The Purchasing Steering Committee;
- The Audit and Risk Control Steering Committee;
- The Sector Development Steering Committee;
- The Generation Steering Committee;
- The Distribution and Commercial Steering Committee;
- The Strategic Steering Committee.

Task Force

In addition to the CODIR and COFIL steering organs, task forces are set up whenever necessary.

These are multi-disciplinary working groups whose purpose is to address issues that cut across the company or initiatives that are directly linked to its challenges. and which cannot be dealt with by a single unit.

These ad hoc working groups are designed to be flexible and efficient within short deadlines. They are dissolved at the end of their assigned mission.



Eneo's Prepaid Solution



via WhatsApp



connection.eneoapps.com

« I can recharge according to my budget
and at my own pace.

No more hassle ! »

Now, access all our services online and handle everything remotely.

Support

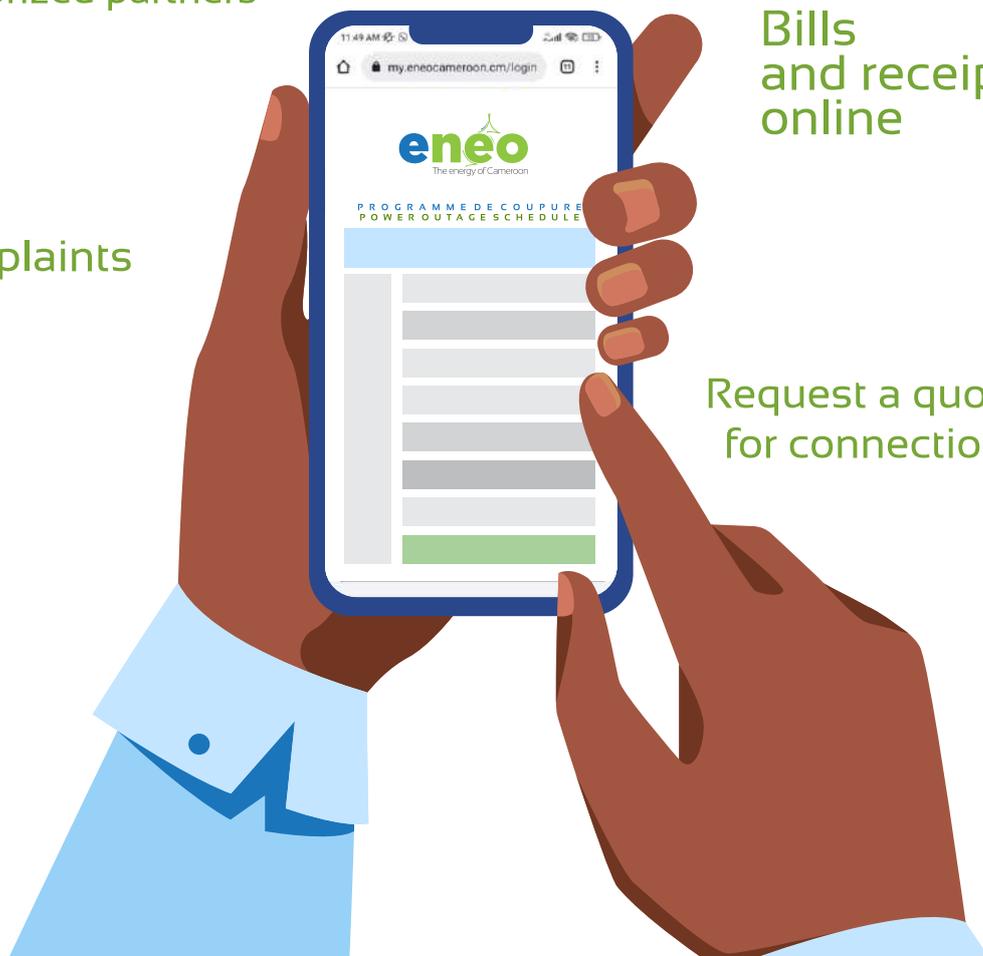
Online payment via authorized partners

Bills and receipts online

Complaints

Request a quote for connection

Alerts



InsideEneo



www.eneocameroon.cm

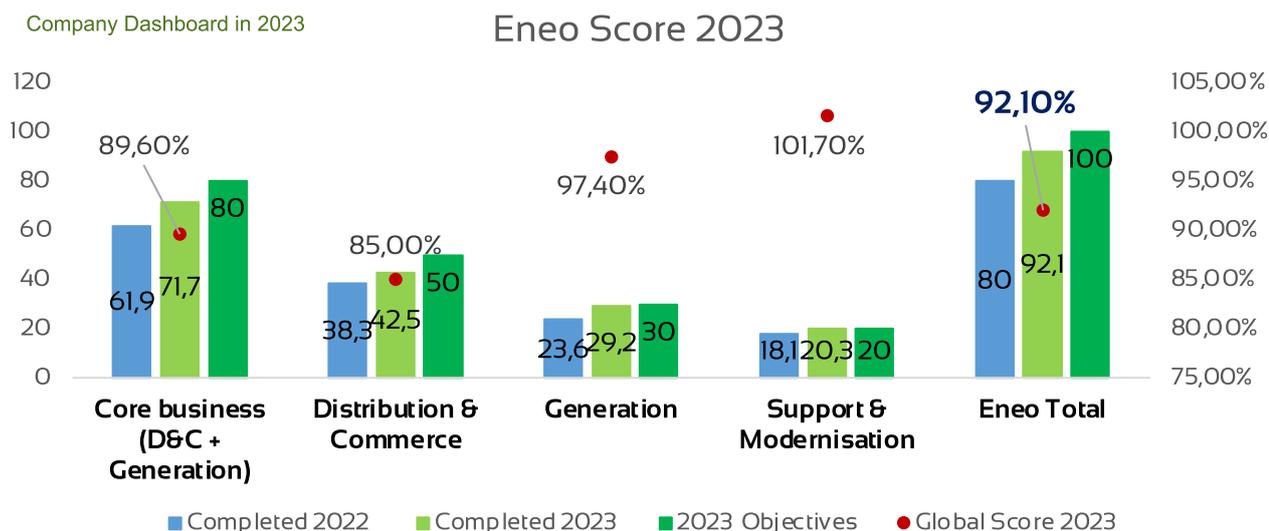


OPERATIONAL REVIEW

- Summary of results
- HSE
- Generation
- Supply / demande balance
- Distribution
- Commercial
- Cash collection
- Customer experience
- Support to operations

SUMMARY OF RESULTS

Eneo's operating score in 2023 is 92.1%.



This score was calculated on the basis of the following performance factors:

- The Distribution Efficiency is close to target.
- Availability indicators for generation facilities and the state of generating units are higher than projected.
- Distribution service quality is better than forecast, and the overall perception of service quality has improved compared with 2022.
- EBITDA fell short of target, mainly due to overruns on fuel costs, independent power producers' expenses and fixed cash costs.



HSE

In the last four years, there has been a significant drop in the number of public deaths caused by the state of the network. However, there are still deaths despite the extensive pole replacement programme. The rate of wood pole decay on the network seems to outpace the rate of replacement.

The results for 2023 are shown in the table below.



Safety		2022	2023	Budget (B)	Var vs B
Resolution of critical recommendations	%	85%	85%	85%	-
Public fatalities - State of the network	No.	11	5	0	5
Employee fatalities - Eneo and subcontractor	No.	1	3	0	3
Employee LTI - Eneo and subcontractor	No.	5	2	0	2
Public injuries - Network status	No.	26	52	0	52

A review presents the following data:

		2015	2016	2017	2018	2019	2020	2021	2022	2023
Resolution of critical recommendations	%	43%	69%	98%	98%	94%	71%	79%	85%	85%
Public fatalities - State of the network	No.	15	7	6	8	8	16	12	11	5
Employee fatalities - Eneo and subcontractor	No.	3	3	1	4	2	2	0	1	3
Employee LTI - Eneo and subcontractor	No.	6	12	14	14	5	7	6	5	2
Public injuries - Network status	No.	70	36	40	48	22	37	45	26	52



A CORPORATE CITIZEN

At Eneo, Corporate Social Responsibility (CSR) is rooted in all our core values. We believe that as a socially responsible company, Eneo must be credible with all its stakeholders, use its resources and means sustainably, treat its employees, customers and communities fairly, contain the social, economic, health and environmental impacts of its activities, and comply with its regulatory and legal obligations. That is what we are trying to do, for example, when in 10 years we have been able to account for 700 billion in taxes and other levies paid to the State, 1,400 billion spent on local businesses, 1,200 youths recruited, more than one million households and businesses provided with access to electricity, 3,600 employees and 10,000 indirect labour resources supported in compliance with the law, a permanent dialogue with our partner companies on the management of our relations, and intervention for the well-being of the communities around us.

Eneo has an ongoing campaign to raise community awareness on the dangers of electricity. The company is currently focusing a great deal of attention on a number of these CSR projects:

- Improving access to drinking water (WASH Programme) and electricity in rural areas through autonomous solutions (MICROSOLAR Programme).
- Reforestation and anti-desertification programme.
- Black Fly Control Programme in the Sanaga Basin.
- Deployment of social projects aimed at contributing to the well-being of local communities and strengthening good cohabitation with Eneo (social projects associated with Eneo's investment projects, autonomous social projects adapted to the needs and expectations of local communities).



LIGHTENING THE WAY TO LEARNING

Driven by its Ladies, all ENEO staff are mobilizing for the education of orphans

The Back to School project was born in 2023. The Energizing Ladies, Eneo's women's association, set about soliciting the solidarity of its agents. Under the leadership of the women, a fund-raising campaign was carried out in every region, office by office, technical base by technical base: "the money raised will be used in each region" to provide the necessities for the education of orphans gathered in centers to be chosen. Top management officially supported the initiative, notably through the General Manager, who called for support for the project. In the end, more than 10 million were collected. Donations purchased and distributed by region. The Kistamari orphanage was the first to benefit from the donation. Present at the ceremony, the General Manager promised the center an extension to the power supply network. This was followed by action. As a result, the project formula has been enriched. Alongside the Ladies, who offer school supplies, Eneo will provide the selected centers with a little more in terms of facilities to improve the comfort of the orphans supported, and thus help them to succeed.



KISMATARI orphanage connected to the grid



Commitment to the education of local indigenous people: Eneo Cameroon and FEDEC together

In Bidou 1, a small locality in the Ocean department partly inhabited by indigenous populations (pygmies), Eneo and the Federation for the Environment and Development in Cameroon (FEDEC) agreed on the need to support these communities to improve their children's sch

At the same time as donating school supplies to the Bakolas and Bagyelis indigenous children at the Bidou public school, Eneo Cameroon signed a partnership agreement with the Federation for the Environment and Development in Cameroon (FEDEC). Eneo Cameroon, faithful to its commitment to supporting local indigenous communities in their organization, education and empowerment, has found in FEDEC a reliable partner thanks to its experience in working with these communities. In particular, FEDEC is recognized for its innovative approach, which reduces the disengagement rate of pygmy children once they have embarked on their journey to school.

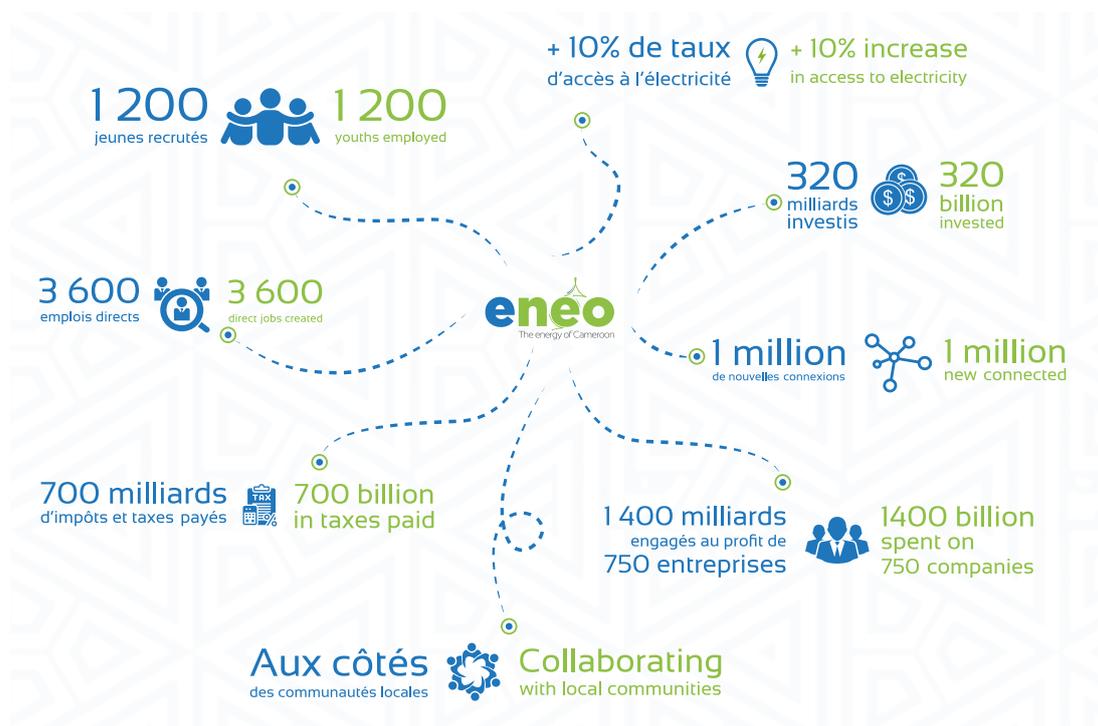
To mark the partnership protocol with concrete action, the signing of the partnership was followed by the handover of school supplies by Eneo.

“My parents have no money to buy me school supplies. Today, I received notebooks and books. They will help me learn better at home and do my homework. I think that with this donation from Eneo Cameroon, I'll only be able to get my FSLC,” said Assembe Marie, a student in Class 6.



RESILIENCE et CITOYENNETE au service du Cameroun depuis 2014

Serving Cameroon with RESILIENCE and CITIZENSHIP since 2014



**Aux côtés des autres acteurs du secteur,
Eneo continuera d'apporter, de manière résiliente, sa contribution à la transformation du service électrique.**

**Alongside other players in the sector,
Eneo will continue to make a resilient contribution to the transformation of the electricity service.**

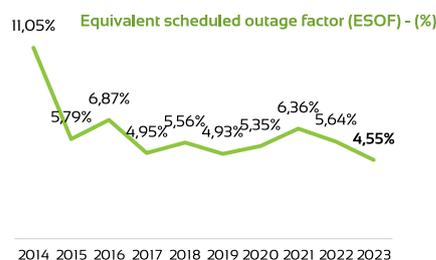
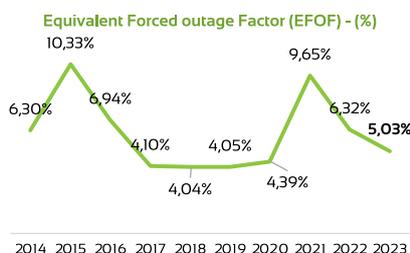
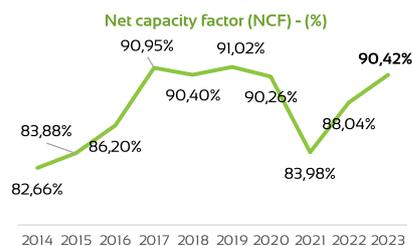
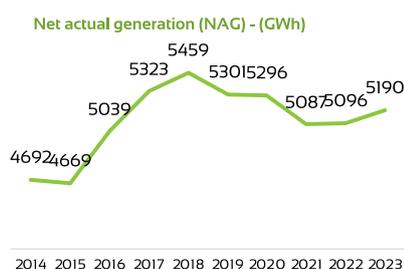


GENERATION

Over the last four years, the availability rate of generation plants has been in line with regulatory requirements (the Government's expectations). This good performance is mainly due to the completion of the rehabilitation of thermal power plants. This work has had a positive effect on the volume of energy generated. However, there is still room for improvement in the rate of completion of planned works.

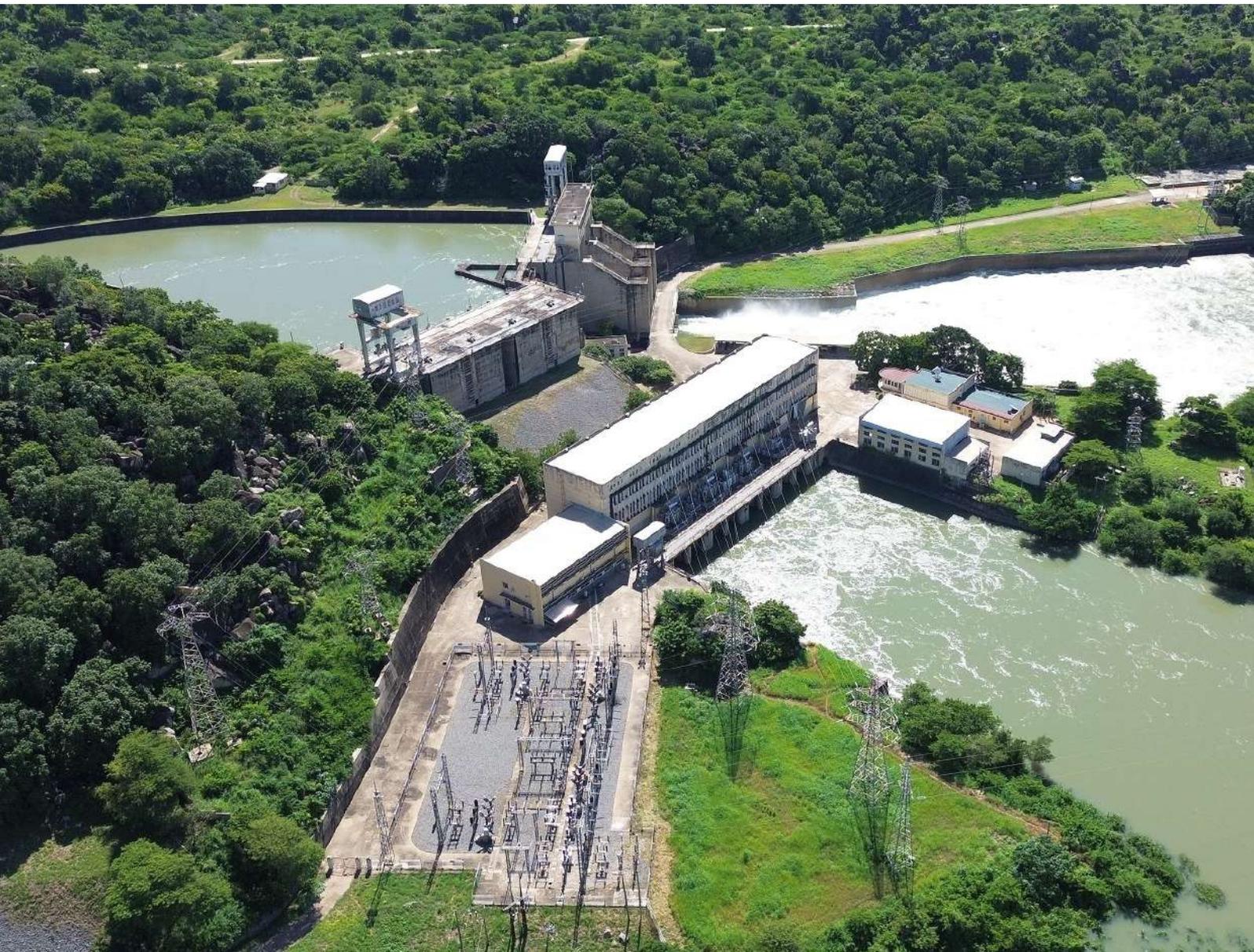
The results for 2023 are shown in the table and graphs below.

Item	2022	2023	Budget	Var vs B
Net actual generation (NAG) - (GWh)	5 095.8	5 190.3	5 231.7	(0.79%)
Net Capacity Factor (NCF) - (%)	59,38%	61,49%	61,91%	(0.42%)
Equivalent Availability Factor (EAF) - (%)	88,04%	90,42%	87,10%	3,32%
Equivalent Forced Outage Factor (EFOF) - (%)	6,32%	5,03%	5,97%	(0.94%)
Equivalent Scheduled Outage Factor (ESOF) - (%)	5,64%	4,55%	6,93%	(2.38%)
Heat rate (mmbtu/rWh)	9 230.1	9 124.7	9 385.0	(2.77%)



Over the last four years, the availability rate of generation plants has been in line with regulatory requirements





The 2023 performance was influenced by:

> The following availability rates by type of plant: Hydro at 93.16%; interconnected thermal at 80.99%; Bertoua thermal at 83.06%; other isolated thermal: 87.03%.

As part of the contractual projects arising from amendment No. 3 to the Concession Agreement, relating to securing the generating capacity and increasing the rate of access to electricity, for the year 2023, 43 projects have been listed for a budget of FCFA 10.49 billion. The commitment rate is CFAF 9.886 billion, that is 87.3%.

The following projects helped stabilise the Key Performance Indicators defined in the Concession Agreement:

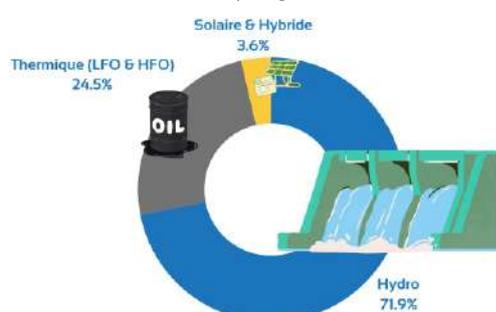
- Reconstruction and Rehabilitation of MV/LV networks in the North/South-West 91.9%;
- Programme 2B of Amendment No. 3_Edea 93%;
- Programme 2B of Amendment No. 3_LAGDO 99%;
- Rehabilitation of Unit 8 at Edea II 100%
- Acquisition and installation of two 90 kV circuit breakers on Units 12 and 13 at Edea;
- Rehabilitation of Unit 8 at Edea II 100%;
- Renovation of the fire detection and protection system at the Lagdo hydroelectric facility 100.0%;
- Major overhaul of the generating units at the DJAMBOUTOU power plant 100%;
- Construction of water boreholes and towers in the remote NEA and Grand South power plants 100%;
- NIG 15MW emergency thermal project 110.2%;
- DAM SAFETY: PHASE2 of the three-year rehabilitation programme for the Songloulou hydroelectric plant 146%;
- Maximo Plant Maintenance Phase2 97%;
- Rehabilitation of a transformer and acquisition of three (03) new 38 MVA single-phase power transformers for the Songloulou hydroelectric plant

SUPPLY-DEMAND BALANCE

Overall energy supply fell by around 1%, mainly due to the shutdown of the KPDC and DPDC generating facilities at the beginning of the year and from the end of September 2023, the delayed commissioning of the Nachtigal hydroelectric plant, and congestion on the Mangombe-Logbaba and Songloulou-Logbaba 225kV lines.

Eneo 2024 Generation mix

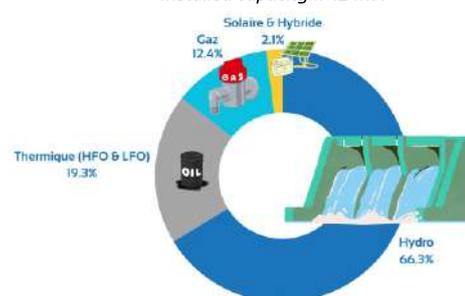
Installed capacity 963 MW



Source: Données à fin Octobre 2024

National Generation mix end october 2024

Installed capacity 1742 MW



Source: Données à fin Octobre 2024

2024 Generation

Independant producers & Eneo

Installed capacity 1742 MW

Producteurs indpt sous Eneo



Source: Données à fin Octobre 2024

	2022	2023	Budget	Var vs B
ENEO	5 095.8	5 190.3	5 231.7	(0.79%)
HYDRO	4 712.4	5 002.3	5 024.8	(0.45%)
Songloulou	2 614.2	2 754.0	2 813.6	(2.12%)
Edea	1 869.6	1 850.4	1 900.5	(2.64%)
Lagdo	228,6	397,9	310,7	28,09%
Eneo Thermal Interconnected plants	327,8	153,5	173,0	(11.28%)
Remote thermal power plants	55,6	34,5	34,0	1,61%
IPPs	2 117.2	2 367.8	2 395.3	(1.15%)
Globeleq (Kribi & Dibamba)	1 447.8	1 213.5	1 538.5	(21.12%)
Hydro (Memvelele, Mekin, Mbakaou PCH & Lom Pangar)	553,6	1 082.0	679,8	59,15%
Aggreko, Guider & SCATEC (Maroua, Bertoua, Guider LFO and solar)	115,7	72,3	177,0	(59.18%)
Total Generation (GWH)	7 213.0	7 558.0	7 627.1	(0.90%)

See table below for a breakdown of demand expressed:

Item	2022	2023	Budget	2023 vs 2022	2023 vs Budget
SIG					
Public Sector	5772	6123	6194	6,1%	-1,2%
Alucam	1068	1125	1138	5,3%	-1,1%
NIG					
Public Sector	454	495	510	9,0%	-2,9%

The table below shows the reconstituted expressed demand:

Overall energy supply fell by around 1%, mainly due to the shutdown of the KPDC and DPDC generating units at the beginning of the year and from the end of September 2023, the delayed commissioning of the Nachtigal hydroelectric plant, and congestion on the Mangombe-Logbaba and Songloulou-Logbaba 225kV lines.

- Overall demand in 2023 is in line with the initial projections for the year 2023;
- The first and last quarters of 2023 were marked by significant load shedding and load balancing by industrial customers and Alucam, mainly due to the shutdown of the KPDC and DPDC units;
- The variation in the NIG is explained by the fact that CIMENCAM's new plant at Figuil was not commissioned.



DISTRIBUTION

Improvements have been made to the distribution network. However, there is still a great deal of upgrading to be done. The results for 2023 are shown in the following charts:

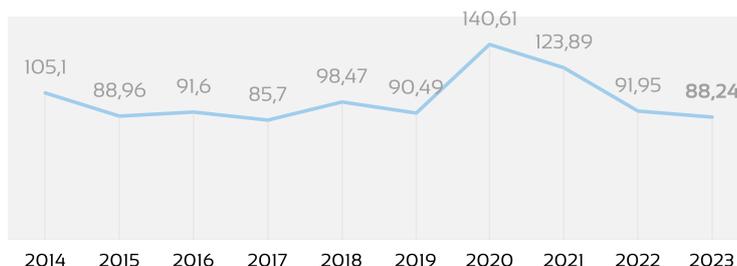
Item	2022	2023	Budget	Var vs B
SAIDI* (h)	58,81	46,14	59,1	(22%)
SAIFI* (n)	19,76	19,74	21,8	(9%)
MV lines availability rate per feeders	89%	89%	85%	4%
MV/LV transformer substation replacement deadline				
- Metropolitan (Hrs)	16	12	12	-
- Urban (Hrs)	14	12	12	-
- Rural (Hrs)	66	72	72	-
Sample of LV customers with smart meters	1,57%	1,58%	1,8%	(9.64%)
Sample of MV/LV substations with smart meters	4,5%	4,54%	5,75%	(5.21%)

(*) Excluding Scheduled Works and Force Majeure

However, a large number of standardizations remain necessary, not only for greater stability of medium-voltage networks, but also for those closer to households, i.e. low-voltage networks.

The results for 2023 are shown in the following figures:

SAIDI global (h) y compris les exclusions



The main long-standing causes of changes in SAIDI performance

SAIDI per cause	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
AUTRES	4,3	6,1	3,6	4,3	22,6	30,5	59	42,6	29,8	7,74
DAMAGE TO EQUIPMENT	17,7	14,8	24,6	20,2	1,5	5,5	3,8	4,7	2,9	32,70
DIST WRK PRGM	12,4	14	14,1	18,6	31,5	18,6	32	39,8	34,3	41,15
LIGHTNING	3,8	3	1,4	0,5	0,5	0,1	0,2	0,4	0,0	
ROT	43,1	26,5	31,5	29,8	24,1	17,7	34,9	19,6	11,6	
PROTECTION	0,6	0,4	0	0,5	0,0	0,1	0	0,1	0,0	
OVERLOAD	1,8	1,2	1,9	0,6	0,8	0,4	1,5	0,6	0,1	
VEGETATION	12,2	13,9	11,4	20,2	17,4	16,2	6,9	12,2	10,1	
WIND/STORM	9,9	9,7	7,9	7,4	0,0	1,4	2,2	3,8	3,1	
INSUFFICIENT PRUNING										6,64
SAIDI GLOBAL	105,7	89,7	96,4	102,1	98,47	90,49	140,61	123,9	91,95	88,24

In 2023, service quality was assessed more rigorously by SAIDI and SAIFI, as seen overall by customers.

SAIDI and SAIFI have improved relative to the target and relative to 2022, by 22% and 9% respectively.

With a view to improving the quality of service, a number of major initiatives have been undertaken:

- Replacement of poles (wood, steel and concrete): 25,136 poles were replaced out of the 11,900 planned for the year (211%),

- well above the target;
- Replacement of IACMs: 99 out of 96 planned;
- Replacement of PCB transformers: 18 transformers replaced out of 17 planned;
- Protection of MV line bypasses: 387 out of 400;
- Replacement of faulty transformers: 303 transformers replaced out of 289 received,
- Protection of MV/LV substations on poles 733 substations protected out of 687 planned;
- Replacement/rehabilitation of defective PMRs 16/10 planned;

- Maintenance of HTA/HTA and H59 substations: 393 substations out of 593, i.e. 66%;
- Mechanised cleaning of rural MV lines: 221.98 km (174.24 km with farm machinery and 47.74 with BULL) out of 570 km;
- Maintenance of source substations: 37 out of 29 substations.

In combination with the above initiatives, a number of projects have been carried out to improve the quality of service, notably: changing/increasing the power of overloaded substations and improving SAIDI/SAIFI.



«Many efforts are being made by Eneo to improve electricity service in our department. We forget the bad memories of several days without power. The current is more stable. We can feel it. We see how Eneo injects concrete poles, cleans corridors and listens to the population. There's a concentration of technical and operational teams in the department. And the dialogue is ongoing. There's no more violence like before. Moratoriums are granted to customers. We're proud of that.»

Gabriel Bienvenu Ayia, Mayor of Mengang

« Since 2020, when Eneo gradually replaced wooden poles with concrete ones, we've had fewer power cuts in our village. They have fallen by at least 70%. »

Etienne Dicka Dicka, Dignitary of Kake village, Moungo.



COMMERCIAL

Item	Budget	2023	Achievement rate	2022	2023 vs Budget
Distribution Efficiency	75,88%	75,24%	99,16%	75,75%	(0.64%)
Overall gross collections	86,5%	87,6%	101,3%	94,1%	1,10%
Private collection (MV/LV)	86,40%	92,94%	107,6%	95,20%	6,54%
Government Cash Collection	12,0	39,0	325,3%	13,0	225%
Old debt consolidation rate	5%	2,6%	52%	3,8%	(2.40%)
Provision for bad debts	6,61	14,47	218,74%	7,95	119%
New connections executed	118,000	114,345	96,90%	130,297	(3.10%)
Service Quality Perception Index	70%	73,20%	104,57%	70,54%	3,20%
Penalties on the service regulations	300126	239404	80%	337,144	(20.23%)

Distribution Efficiency

The distribution efficiency fell by 0.63 points compared to projections.

The graph below highlights the trajectory of distribution efficiency since 2014



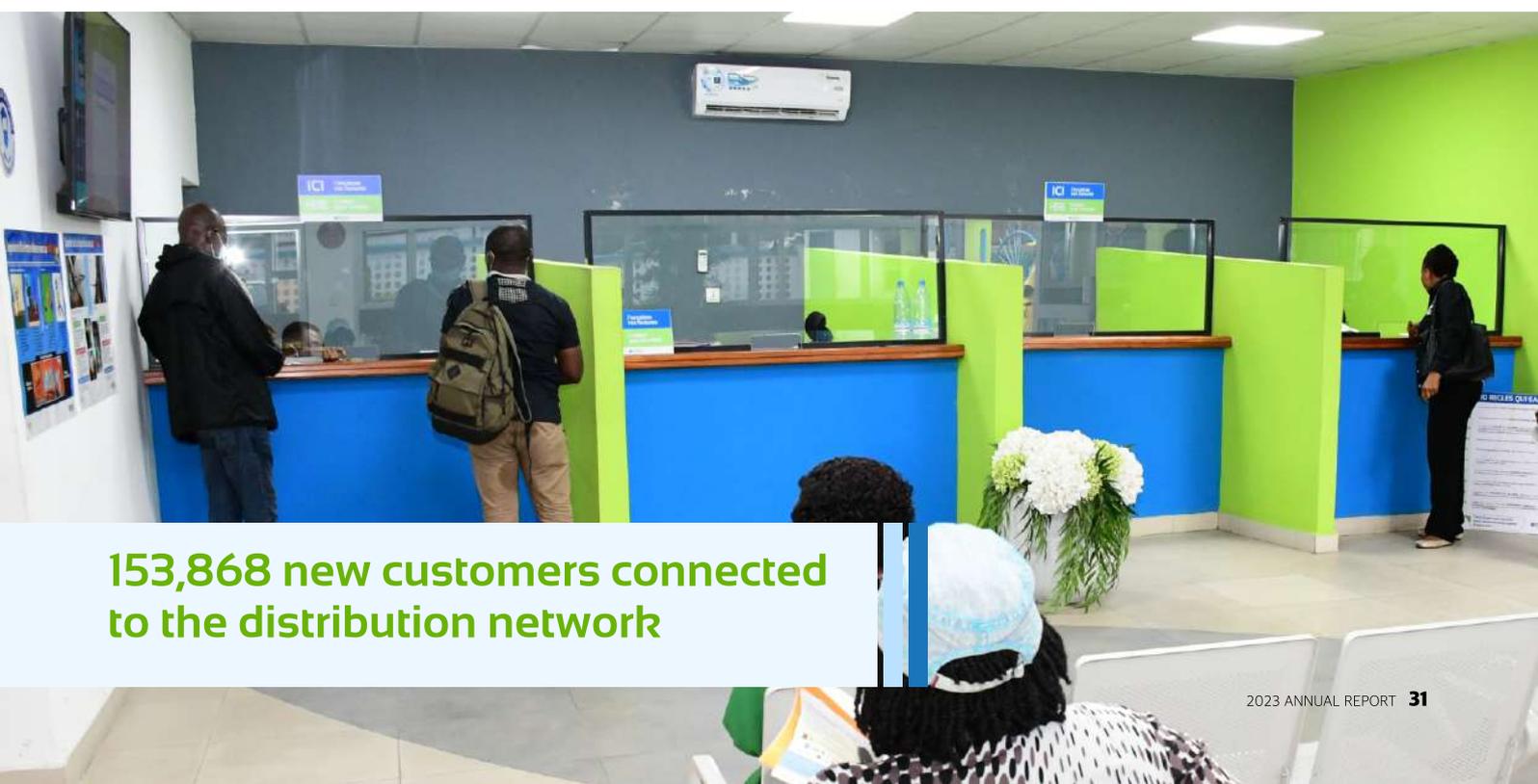
The negative trend after 4 years of progression is driven by:

The main factors driving this performance in 2023 are:

- Normalisation of malfunctioning equipment: 43 812 faulty installations normalised;
- Conversion of 332 illegal consumers.
- Fraud prevention: 65% of meter inspections/billing (138,151);

Capex accomplishments, notably:

- Prepaid project: 112,260 new connections made (all programmes combined), i.e. 5,786 fewer than the target;
- PERACE (Rural Electrification Project) Commercial



153,868 new customers connected to the distribution network

The main initiatives that have led to this performance are the following:

- 43,812 faulty installations normalised, i.e. 292% of the 2023 target achievement rate with 17,067 in prepaid meters, 25,184 in post-paid meters and 1,561 in smart meters
- 153,868 new customers connected to the distribution network (first access and regularisation);
- 332 illegal consumers converted to customers by December, representing 100% achievement of the overall 2023 target.
- Intensification of the deployment of prepaid meters leading to a 250% increase in prepaid consumption compared to 2022, from 440.8GWh 606.79 GWh;
- Billing of active customers at 99.14%, i.e. 100% of the forecast Active LV customers increased from 1.915 to 2.033 million, representing a 5.8% growth in the customer portfolio;





PERACE

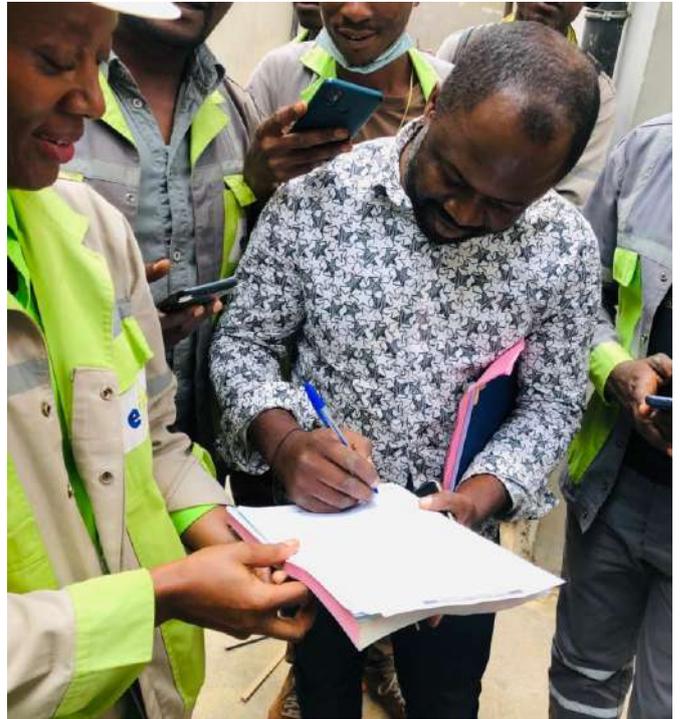
Eneo's expertise at the service of the government project to facilitate access to electricity

Launched in 2020, the Rural Electrification and Access to Electricity in Under-Served Regions (PERACE) project gained momentum in its implementation from the end of 2022 and during 2023. In 2023 alone, through the deployment of Eneo teams, 103,000 households connected by Eneo to its network benefited from the facility set up by the government via the Rural Electrification Agency. In just one year, more than 70% of the initial target of 3 years had been achieved.

Eneo had accumulated considerable experience in the construction of connections, with an average of 100,000 households connected to its network, per year since 2015. Its involvement in the implementation of the project has enabled it to put in place the most appropriate management protocols and tools to accelerate the process, which is closely monitored by the World Bank and the European Investment Bank, the two lenders.

This involves adapting membership mechanisms, refining the areas to be covered and involving Eneo's teams, who know the field inside out. But it also means putting in place the most advanced rules of governance to ensure traceability of operations. Various assessments by World Bank experts were given a satisfactory rating. The management of the project was also presented as a model.

Eneo is proud to be helping the government to carry out this important project, with a view to achieving its objectives of providing access to electricity for as many people as possible.



Apply for your
electricity connection
now and **pay at your own pace**
with **AER*** revolving credit



The initial results of the implementation have prompted the government and the World Bank to raise the target for AER's PERACE or revolving fund connections from 163,000 to 235,000 by mid-2025.

As a reminder, PERACE or AER's revolving fund offers households the opportunity to request a connection by choosing to pay the fees at their own pace, between 1 and 12 monthly instalments. As soon as the first instalment is paid, the meter is installed. In 2024 and 2025, the project's stakeholders (Eneo, AER, World Bank, MINEE) will have to increase the pace of PERACE meter installation and, above all, launch the construction of extension networks in previously unelectrified localities.

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No additional costs apart from the estimate.
Report any attempt at extortion to **698 280 000**.

*As part of the PERACE programme, the Government of Cameroon, in partnership with Eneo Cameroon SA, is facilitating access to electricity for all.



71%, Cameroon's electricity access rate by the end of 2022

According to the latest statistics from the World Bank, published in September 2024, the electricity access rate in Cameroon by the end of 2022 stood at 71%. (donnees.banquemondiale.org).

This 5-percentage-point increase from 2021 is an indication of a great leap forward especially as the trend for previous years was an increase by 1.5 percentage point at best.



Extensive Investment by Eneo

This great improvement in the number of households and businesses connected to the electricity network is the result of extensive investments. Cameroon's electricity distribution company recorded outstanding performances marked by 221 000 new connections in 2021 and 195 000 in 2022. This forward leap is explained by the mobilisation of CFAF 100 billion on the local banking market thereby boosting Eneo's investment capacity which was formerly limited to about CFAF 30 billion per year.

Breakdown of the investments

- 2021 : CFAF 53 billion
- 2022 : CFAF 73 billions

These funds were mainly allocated to:

- Improving generation infrastructure.
- Strengthening existing distribution networks.
- Extending distribution networks.

In 2021, Eneo constructed new lines totaling 540 km, well beyond the annual average of 150 km in previous years. This facilitated the execution of new connections some of which were from households applying for the first time and others from normalisation of fraud cases.

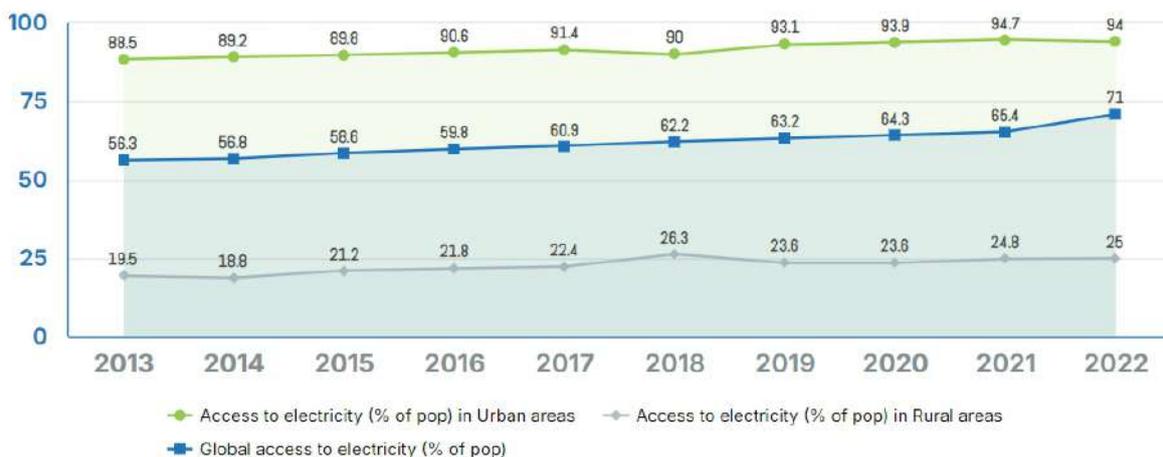
Optimisation and reforms

The increase in electricity access rate underlines the crucial importance of constantly mobilising funds to improve the quality of service. Eneo has also implemented significant reforms to optimise the management of applications/complaints. Since 2014, average connection times have been reduced from 20 to 9 days, making it easier for households to access electricity.

Access to electricity in Cameroon

Statistics of the percentage of the population (% of pop) with access to electricity in Cameroon from 2013 to 2022.

Source: Information from the World Bank Data - data.worldbank.org



Some key initiatives

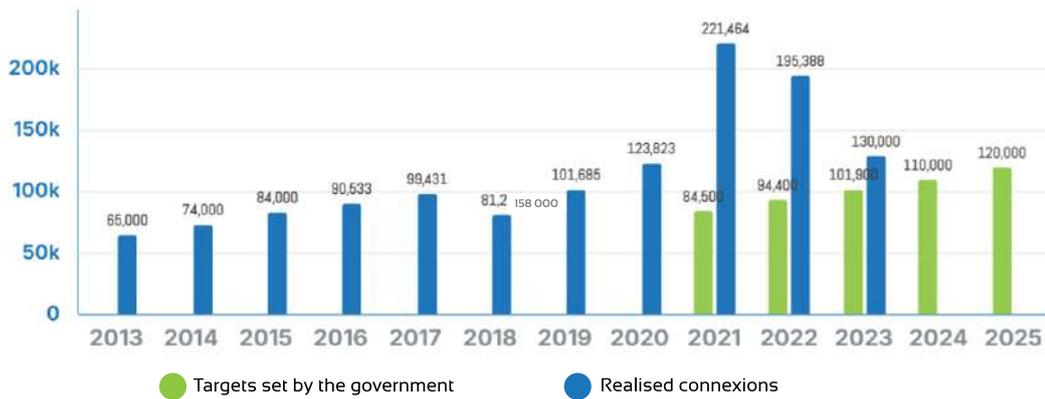
- The One Meter Per Household Campaign: Campaign to simplify access to the electricity service.
- Streamlining of the connection application process (when they were manual): Reduction in the number of documents required for a new connection from 8 to 3.
- Introduction of online applications (dematerialisation).

Recognition and collaboration

- Eneo's expertise has been acknowledged by the Government, which is calling for the former's contribution in the implementation of an ambitious programme to achieve 100% access to electricity within ten years.
- Eneo is actively involved in the PERACE project in collaboration with the AER and the World Bank, with Eneo's approach considered a success story.

More than 71% by the end of 2023

After an impressive performance in 2022, the total number of connections fell in 2023 to 158,000, but remained above 100,000. This suggests that the electricity access rate could rise from 71% in 2022 to around 73% by the end of 2023.



Connections made by Eneo from 2013 to 2023, compared with the targets set by the government.

Source: Eneo Cameroon Annual Report 2014 - 2022

After an impressive performance in 2022, the total number of connections fell in 2023 to 158,000, but remained above 100,000. This suggests that the electricity access rate could rise from 71% in 2022 to around 73% by the end of 2023.

CASH COLLECTION

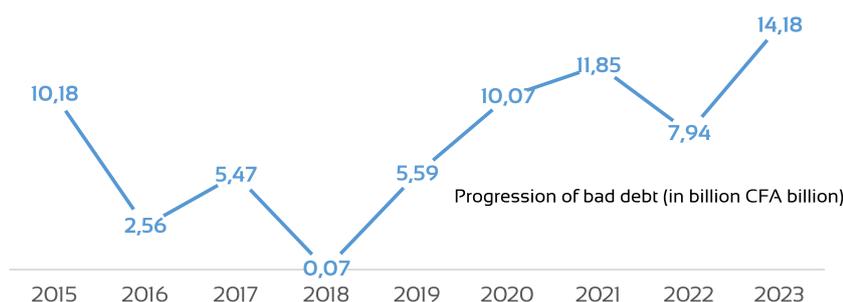
The overall collection amounted to CFAF 427.30 billion at the end of December 2023, corresponding to a 100% performance rate vis-à-vis the target. This rate was achieved thanks to collections of outstanding amounts from previous years, which offset the shortfall in collections for 2023. This includes tariff compensation and settlements of private

accounts. And even payments from private customers in the regions, for which the actual collection rate compared with bills issued is 94%. In total, only 87% of the total volume billed in 2023 has been collected. Despite everything, the results achieved demonstrate management's efforts to improve the company's cash position as follows:

Description	Budget	Collection	Variation
2023 Tariff compensation	47 531,15	-	- 47 531,15
Tariff compensation (Balance 2022)	12 295.69	26 994.68*	14 698.99
VAT Pro rata	-	9 802.35*	9 802.35
Reimbursable works	-	5 160.58*	5 160.58
State SOE	47 684.15	57 802.68	10 118.53
Private key account customers	74 847.00	71 242.37	- 3 604.63
Individuals (Regions)	244 843.45	256 304.69	11 461.24
Total	427 201.44	427 307.35	105.91

The table above illustrates the difficulty of getting the regulator to validate the correct amount of tariff compensation in accordance with the timetable set out in the concession agreement. As in the case of the 2022 tariff compensation collected in January 2023, tariff compensation is often collected, at least in part, later than in the reference year.

It should be noted that the 2023 budget projections foresaw a poorer performance by the State. This anticipation was confirmed by the example of public lighting, for which no billed amounts were validated for the 2023 financial year.



Collection performance is driven by the following factors:

- Forced collections of CFAF 31.63 billion vs. 44.40 billion for an average of 18 disconnection/reconnection operations per team per day out of 23 planned, and an average rate of reconnections paid of 66% per month out of the 95,000 reconnections paid planned per month;
- 17% of collections made by third-party collectors, against a target of 35%;
- Intensified deployment of prepaid meters, leading to a 115% increase in prepaid consumption volumes compared to 2022 (from 440 GWh to 606 GWh);
- Low rate of clearance of unpaid bills - an average of 3% vs. 10% expected per month;
- Accumulation of bad debt of 14.18 billion vs. 6.6 billion forecast;
- 35.9 billion ACI pending entry into CMS
- Collection of private key account customers was negatively impacted by FCFA 3.9 billion due to seizure/attribution procedures applied at source to these customers.
- Suspension of payments from some large customers due to mutual debts with Eneo;
- Several large customers' bills contested;
- Low collection rate in the red zone (3.3% vs. 7.6% forecast);
- Collection rate of bills issued in 2023 at the end of May 2024 and 89.68% excluding STATE & local councils and of which the Regions have 96.18%, private key account customers 94.32%, companies with public capital 33.87%, NOSO 52.41% (of which red zone 2.33%);

Intensification of the deployment of prepaid meters leading to a 115% increase in prepaid consumption compared to 2022

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- > Reçu disponible
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- Demande branchement via connection.eneoapps.com
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And any other operation, from your phone

- ← Request a new connection via connection.eneoapps.com
- ← Check your electricity bills and receipts via ebill.eneoapps.com

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Maviance, Eneo's best partner in facilitating customer payments

Since 2023, Maviance has recorded the best growth in collections from non-agency customers. Eneo presented the award at a solemn ceremony at the company's Douala offices. The SME is one of a dozen Eneo-approved partner companies that enable customers to pay their bills without having to go to the branches. Since 2023, Maviance has recorded the best progress in customer collections outside branches. Eneo presented the award at a solemn ceremony at the company's Douala offices. Maviance has expanded its collection network and made it a point of honor to handle complaints promptly, thus guaranteeing a good customer experience on its network, and thus loyalty and attractiveness.

Maviance is all the more grateful for this distinction because; it was Eneo who first placed its trust in the startup it was 10 years ago. « Who would have thought that the meeting between an energy giant like ENEO and a small start-up like Maviance would give birth to a love story that has lasted for over 10 years... ENEO chose Maviance for its agent banking offer and its Smobilpay solution with 11500 points of contact with customers », writes David Ekwabi of Maviance Smobil pays. Pour Eneo, travailler avec Maviance c'est offrir aux clients une facilité et permettre le développement du tissu économique national. Like Maviance, 750 Cameroonian companies have regularly benefited from the company's order book to the tune of at least 1,400 billion CFA francs over the last ten years.

CUSTOMER EXPERIENCE

Based on performance over the past three years, there is an improvement in the perception of service quality by our customers, but there is still much to be done to ensure better customer satisfaction. In the course of 2023, the company recorded the following performance:

- About 114 345 1st access connections were realised i.e. a 3.1% drop compared to the target and a 12.24% delay compared to 2022;

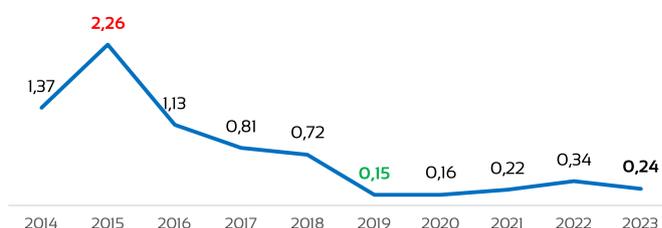
80% of connections carried out within the timeframes with an installation average duration of ten days.

- Drop by 20.23% of penalties related to the rules of service compared to the budget and 28.99% compared to the previous year;
- Rate of processing of complaints within timeframes stood at 94.75%, i.e. a 1.45-point increase compared to the previous year.

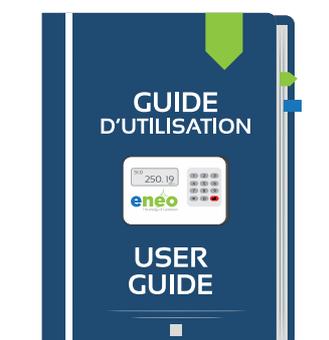
Item	2022	2023	Budget	Var vs B
New Connections	282275	158157	133014	18,90%
□ New Connections (primary access)	130297	114345	118000	(3.10%)
□ Normalisation Connections	151978	43812	15012	192%
Connection Deadline	9.1 days	10 days	7 days	3 days
SR related penalties (R CFA F)	337144	239404	292953	(18.28%)
Customer satisfaction rate (SDI)	81,11%	82,14%	82,41%	(0.27%)

It should be noted that operational performances were impacted by delays in payments by the State and issues related to cash-flow recorded throughout the year which did not make it possible to attain the expected Capex objectives.

Trend of penalties related to RS (billion FCFA)



Penalties for late completion of new connections



Gagnez une autonomie complète avec le guide d'utilisation prépayé.
The prepaid user guide gives complete autonomy.

Sur le site www.eneocameroun.cm, cliquez sur l'onglet **Prépayé** situé sur la barre supérieure
Go to our website, www.eneocameroun.cm, click on the **Prepaid** tab located on the top bar

SUPPORT TO OPERATIONS

Performance recorded by support of operations is broadly characterised as follows:

- Improvement of availability rate of critical materials/equipment (critical materials/equipment: cables, kits, poles, transformers + accessories); Travel service rate of manpower:
- The service for personnel travel recorded a 87% completion rate;

- The rate of availability of human resources is 61.54%;
- IT network availability is 99% to date;
- Major IT transformation projects are on course (ERP, SCADA, Prepaid, data warehouse)

The involvement of the other support units (management, governance, control) in the

performance of the company was as follows:

- The Internal Control maturity index is 2.96 or 85% of the annual target;
- Audit recommendations closing rate: 92.5% i.e. 93% completion;
- Annual audit plan execution rate: 100%;
- The index for key modernisation projects is 83.89%.

Concerning non-fuel stock, the progress is summarised in the following table:

Item (Billions FCFA)	2018	2019	2020	2021	2022	2023	2023 v. 2022
Active stock	20,3	24,45	27,92	39,6	32,17	32,48	0,31
Strategic stock	5,03	6,4	7,4	7,52	6,19	5,15	-1,04
Slow moving stock	1,96	2,86	3,2	3,35	6,58	5,35	-1,23
Stock in warehouse	27,29	33,71	38,52	50,47	44,94	42,98	-1,96
Inventory in transit	5,3	3,73		1,87	0,11	4,83	4,72
Outstanding services (Nomayos) 3.77			3,77	3,77			
TOTAL STOCK	32,59	37,44	42,29	56,11	45,05	47,81	2,76
<i>Variation</i>		15%	13%	33%	-20%	6,10%	

The stock in the warehouse at the end of 2023 dropped by 1.96 billion compared to the end of 2022. The increase by 2.76 billion of the book inventory was determined by the 4.83

billion of inventory in transit that had as objective to anticipate supplies for the proper execution of operations in 2024. Furthermore, it should be noted that the drop in dormant

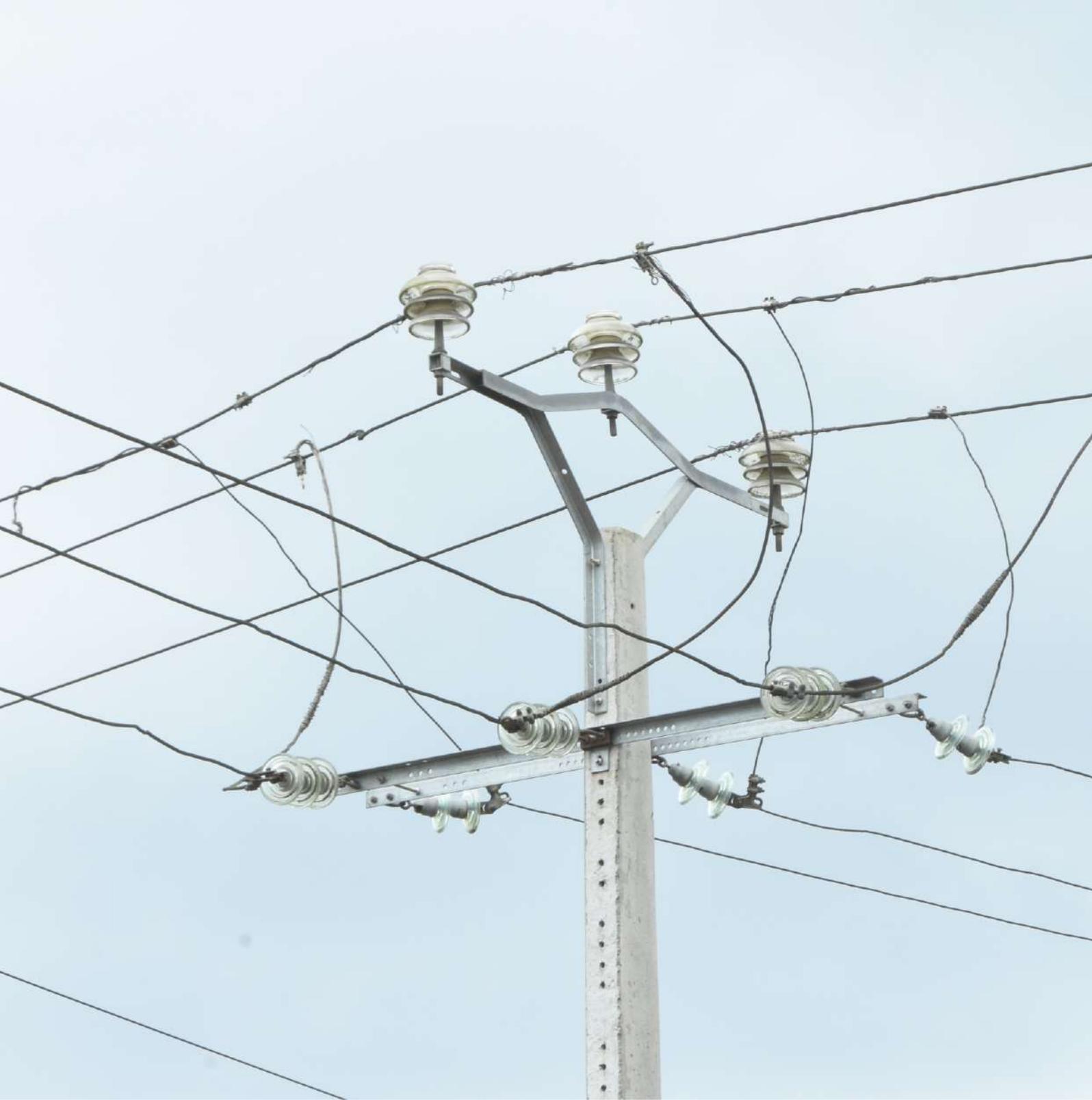
stock (strategic and slow moving) was encouraging vis-à-vis the control/reduction of stock initiative pursued in 2023.





The rate of availability of
human resources is 61.54%





FINANCIAL PERFORMANCE

Margin analysis

Direct cash flow

CAPEX portfolio follow up

FINANCIAL PERFORMANCE

In cumulative terms, the result amounted to CFAF 8.44 billion for an initial budget of CFAF 30.24 billion.

FCFA Millions	YTD			Variation	
	Budget	2022	2023	Vs Budget	Vs 2023
Income	445 681	469 908	468 658	22 978	(1 249)
Variable Costs	251 426	256 442	260 917	9 491	4 475
Margin on variable costs (MVC)	194 255	213 466	207 742	13 487	(5 724)
Fixed operating costs	105 522	124 432	131 748	26 226	7 315
EBITDA (Gross Operating Surplus)	88 733	89 033	75 994	(12 739)	(13 039)
Net Income	30 240	10 028	8 435	(21 805)	(1 593)

Margin Analyses

FCFA Millions	YTD			Variation	
	Budget	2022	2023	Vs Budget	Vs 2022
Income	445 681	469 908	468 658	22 978	(1 249)
Variable Costs	251 426	256 442	260 917	9 491	4 475
Fuel	45 460	72 020	41 687	(3 773)	(30 333)
Energy purchase	182 630	171 835	198 238	15 609	26 403
Others	23 336	12 587	20 991	(2 345)	8 405
Margin on variable costs (MVC)	194 255	213 466	207 742	13 487	(5 724)

Revenue :

Revenue exceeded budget projections by about 23 billion in 2023. It dropped slightly (-1.25 billion) compared to the revenue in 2022. This reduction in revenue compared to the previous fiscal year was as a result of numerous load sheddings and generation constraints due to cash-flow deficit impacting the procurement of fuel for thermal power plants.

The overall performance in relation to the budget was driven by:

- MV/LV sales increased by FCFA 4.5 billion. In terms of quantity and price, this increase compared to projections breaks down as follows:
 - An increase in demand of 132.2 GWh compared to the budget, with a positive impact of CFA 7.75 billion on sales;
 - The drop in Distribution Efficiency (-0.63%) with a negative financial impact of CFA 2.86 billion (-0.63%) on sales;
 - The structure of consumption, with a negative impact of CFAF 0.43 billion due to the change in the average tariff (CFAF 76.6/KWh implemented compared to CFAF 76.7/KWh budgeted).
- Tariff compensation: budget increase of CFA 29.4 billion;

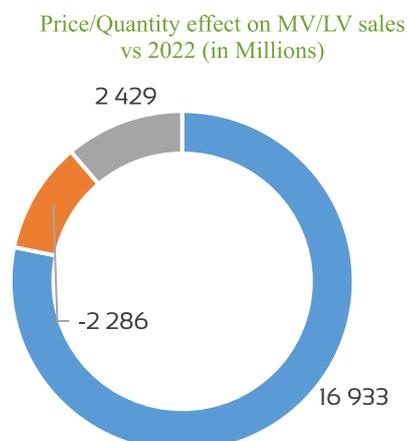
However, the following factors contributed to the decline in revenue:

- Revenue expected from new connections lags behind by 6.24 billion compared to forecast. This as a result of the unfavourable difference between the billing price to customers and the real cost of connections, on the one hand ; and on the other hand, cash-flow constraints that have not allowed for the procurement of the required quantity of meters;

- Revenue excluding VAT, with a budgetary shortfall of 2.4 billion.
- Other income down by 2.24 bn compared to budget (-1.6 bn for denominations/discounts; -1 bn adjustment of sales from previous years; 0.3 bn in accessory products).

Compared to last year, the cumulative performance (-1.25 billion) is explained by:

- MV/LV sales (+16.69 billion CFA) as shown in the graph below.
- MV sales with Alucam notably (+2.1 billion);



- Impact croissence organique Demande
- Impact rendement de distribution
- Impact Mix tarif (Structure de consommation)

Variable costs

Variable costs exceeded the budget by 9.5 billion YTD, but fell by CFAF 4.5 billion compared to 2022.

Compared to the budget:

The main items on the increase are:

- Energy purchases from Memve'ele exceeded budget by 21.91 billion due to increased demand in the generation plan compared to the budget;
- Energy purchases from DPDC exceeded budget by 2.95 billion (approximately +18 GWh), AGGREKO (+1.41 billion), KPDC (+728.16 million).

The main items on the decrease are:

- Fuel oil purchases in budget savings of CFAF 3.8 billion as a result of reduction in quantities of heavy fuel oil due to lower demand on Eneo's thermal power plants;
- Other energy purchases: Transmission charges (-5.41 billion), energy purchases from solar IPPs (-3.22 billion), other IPPs (-2.98 billion);
- Charges for new connections (-2.87 billion).

Vs 2022

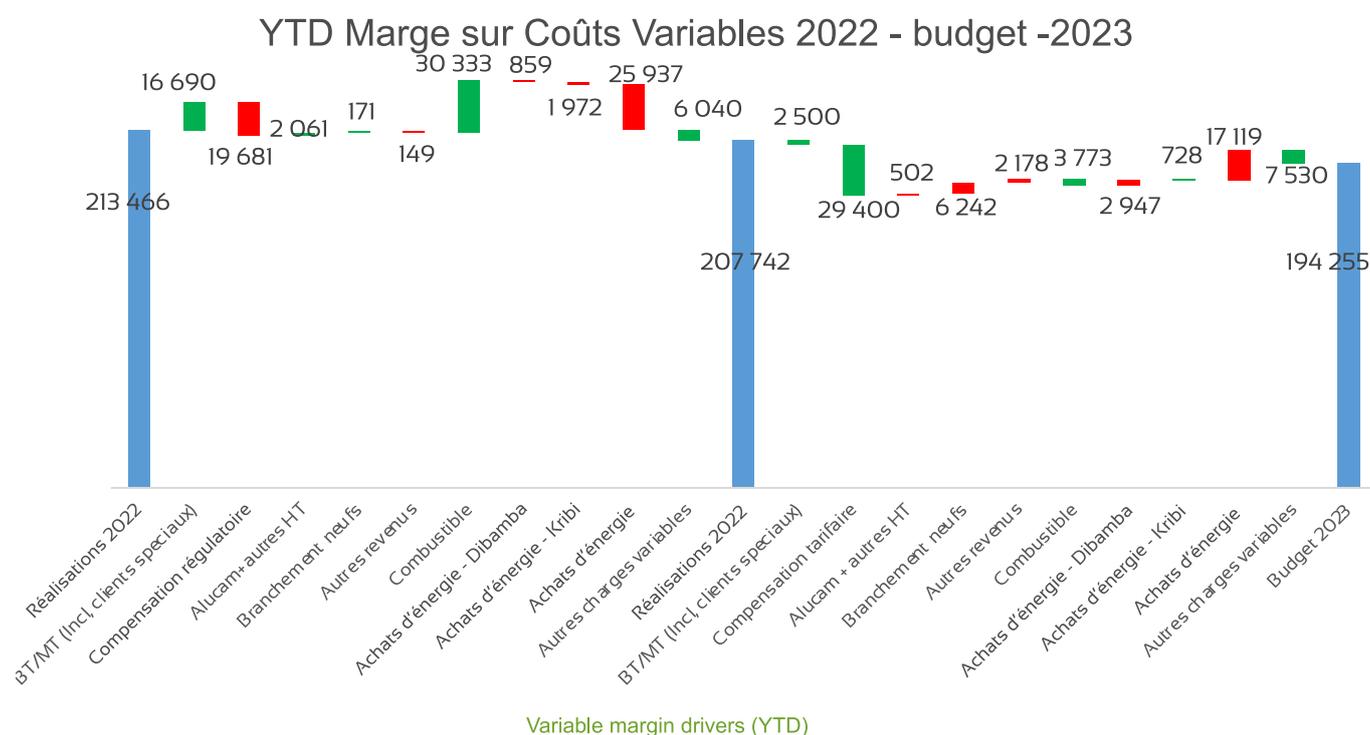
The drop in variable costs was mainly due to:

- Savings of CFAF 30.33 billion on fuel costs due to:
 - Improved hydrology and the contribution of solar power plants to the RIN;
 - The construction of the 225 KV Nkongsamba-Bafoussam line, which reduced the load on the Bafoussam power plant;
 - The RIS-RIE interconnection and the commissioning of the Lom Pangar power plant, which enabled the decommissioning of the Aggreko Bertoua power plant;
- 2.58 billion reduction in transport costs.

However, some substations are overloaded:

- Charges for new connections exceeded by 6.71 billion;
- Energy purchases from KPDC up by 1.97 billion and DPDC up by around 0.86 billion;
- Independent solar producers up by 2 billion;
- ARSEL/FDSE royalties up by 1.7 bn;

The graph below shows the contribution of the various items to the company's Margin on Variable Costs.



The margin on variable costs was 44.33% of revenue, compared to 43.59% of budget and 45.43% last year.

FCFA Millions	YTD			Variation	
	Budget	2022	2023	Vs Budget	Vs 2022
Margin on variable costs (MVC)	194 255	213 466	207 742	13 487	(5 724)
Fixed operating costs	105 522	124 432	131 748	26 226	7 315
EBITDA (Gross Operating Surplus)	88 733	89 033	75 994	(12 739)	(13 039)

Fixed operating costs:

Fixed costs were 26.23 billion higher than budget, and 7.36 billion higher than budget in 2022. The items that explain these variations are:

In comparison with the budget:

- Provisions for bad debts exceeded the budget by 7.57 billion impact of the level of recovery;
- Provisions were exceeded by 4.33 bn as a result of 4.52 bn in write-downs of supplier advances, -1.1 bn in reversals of provisions for inventory write-downs, and 0.914 bn in provisions for other receivables;
- Taxes exceeded by 3.6 billion due to the penalty on late payment of monthly taxes, which amounted to 4.2 billion;
- Commercial and IT subcontractors' costs increased by +2.13 billion and +1.1 billion respectively;
- Insurance, excluding health insurance, which is 2 billion over budget due to the new premium recorded compared to 2022.
- Equipment maintenance was exceeded by 4.41 bn (notably spare parts), mainly as a result of 1.1 bn inventory discrepancies, 2 bn decommissioning, 0.95 bn maintenance of distribution lines and substations, and 0.3 bn for pruning;
- Vehicle maintenance and operating costs +1.84 billion; increase in fuel prices;

- Staff costs, excluding temporary manpower, exceeded budget by 389.36 billion.

Compared to last year:
On the increase

- Provisions for bad debts increased by 6.24 billion;
- Provisioned grew up by 2.74 billion;
- Taxes up by 2.79 billion;
- Commercial subcontractors up by 1.86 billion;
- Insurance on generation facilities up by 1.95 billion;
- Staff costs up by 1.28 billion.

On the decrease

- Operating consultant expenses decreased (-1.9 billion);
- Equipment maintenance down by 3.62 billion, particularly spare parts.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation):

The increase in revenue compared to the budget, combined with a greater increase in costs, particularly fixed costs, brought EBITDA to 75.99 billion FCFA YTD, below the budget (-12.74 billion CFAF), reflecting an unfavourable scissor effect for the company. Compared to last year, the decline was CFAF 13 billion. EBITDA represented 16.22% of revenue, compared to the expected budget of 19.91%.

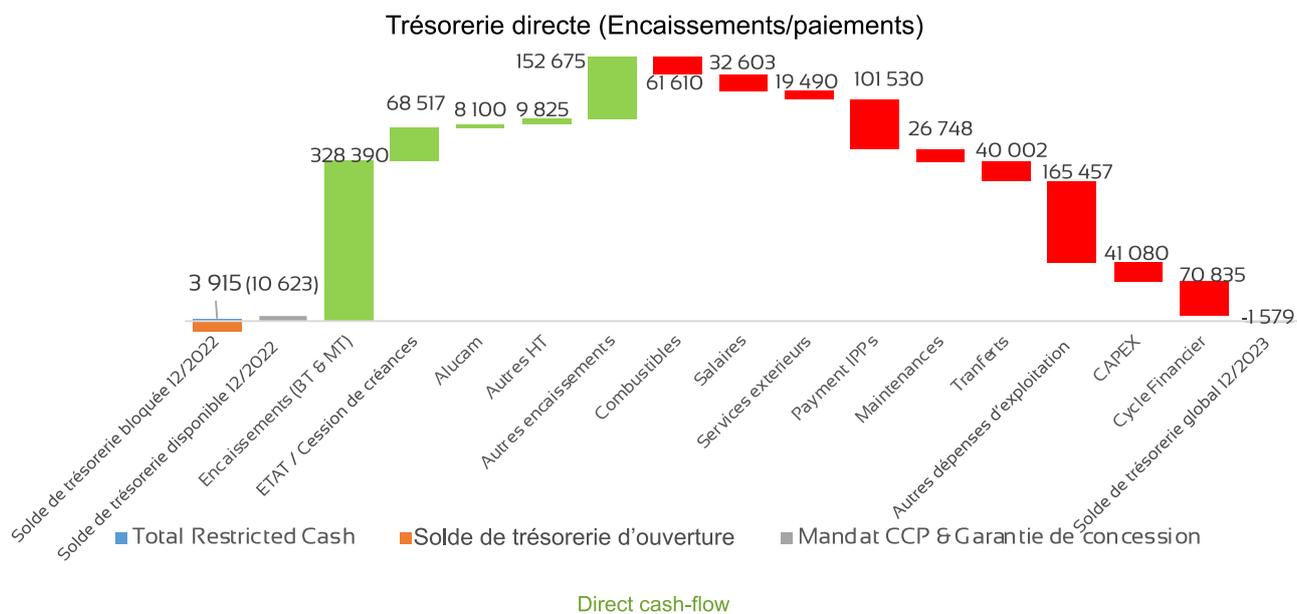
FCFA Millions	YTD			Variation	
	Budget	2022	2023	Vs Budget	Vs 2022
EBITDA	88 733	89 033	75 994	(12 739)	(13 039)
Depreciation & Amortization	25 425	30 286	31 844	6 419	1 558
EBIT	63 307	58 747	44 150	(19 157)	(14 598)
Interests	6 831	10 233	8 617	1 786	(1 616)
Provisions	2 705	7 947	3 640	934	(4 308)
Autres charges financières	7 152	15 048	57	(7 096)	(14 991)
Impôts sur le résultat	16 379	15 491	23 402	7 023	7 911
Résultat Net	30 240	10 028	8 435	(21 805)	(1 593)

Net income:

The operating cycle makes it possible to cover amortisation and other depreciation, as well as financial charges (it should be noted +7 billion on tax on income) hence annual profit of 8.43 billion below forecasts (-21.81 billion FCFA) and -1.6 billion compared to last year.



DIRECT CASH FLOW



The overall cash balance stood at -1.58 billion at the end of 2023, representing a deterioration in the net cash position compared with 2022 (+3.62 M).

Cash collections linked to the sale of energy totalled 414.83 billion in 2023 i.e. 328.4 billion for MV Customers & LV customers excluding the State, 29 billion received directly from the State 39.5 billion from the transfer of receivables, 8.1 billion received from ALUCAM, and 9.83 billion for other HV customers;

Other incoming flows represented 148.57 billion (SPOTS credits 134.23 billion, 10 billion cancellation of DATs).

Operating costs amounted to 413.77 billion and other movements related to operating activities amounted to 36.8 billion (28.67 billion transfer to DSRA and 8 billion DAT).

- **Operating cash-flow:** The operating cash flow surplus (ETE) is positive YTD excluding transfers in 2023 (+149.63 billion). Transfers (DSRA, DAT, other guarantees, etc.) generated an outflow of 36.78 billion for a final YTD surplus after all operating movements of about 112.85 billion. It should be noted, however, that this surplus includes 134.23 billion of SPOT.

a. Collections

- Collections from MV Customers & LV YTD excluding the State increased by 87 billion (414.83 billion Vs. 327.85 billion by end 2022);
- Collections from HV customers amounted to 17.93 bn Vs. 15.16 bn in 2022 that is, an increase of 2.76 bn;
- 39.5 billion in assignment of State receivables and 29 billion in payments of bills, compared to 13 billion the previous year.

It should be noted that cash inflows excluding the collection and assignment of consumer invoice receivables amounted to 148.6 billion, consisting mainly of SPOT loans (134.23 billion) and 10 billion of DAT cancellations, giving total cash inflows of 563.4 billion.

b. Cash disbursements

Compared to last year, operating expenses YTD stands at 413.77 billion vs 364.59 billion in 2022 (an increase of 49.18 billion. This concerns notably the following substations: IPP's +23.6 billion overall, including KPDC&DPDC +21.9 billion and AGGREKO +1.1 billion, payments to SONATREL +7 billion, spare parts (+2.16 billion), building leases and maintenance +3 billion, taxes and similar +7.47 billion, insurance +7.24 billion, payments to ARSEL (+6.28 billion),

payments to EDC (+2.85 billion), subcontractors +4.97 billion.

There was a drop of 10.12 billion in fuel oil, a 6.25 billion reduction in bank charges, a 7.69 billion reduction in payments by Documentary Credits and Letters of Credit, and a 2.15 billion reduction in technical assistance

Overall, operating expenses (including other transfers DSRA and DAT 36.66 billion) amount to 450.55 billion, i.e. an increase of 30.23 billion compared with 2022.

• Investment Cash-flow (CAPEX Payments).

The investment cycle generated expenditure of 41.1 billion, which was 14.07 billion less than last year (56.15 billion). Overall, the balance after operating expenses was sufficient to cover the investment cycle, resulting in a surplus of Available Cash after investment of 71.77 billion.

• Financial cash-flow cycle

The financial cycle generated 70.84 billion in disbursements, mainly local maturities, compared to 21.47 billion last year as a result of new financing obtained last year from local banks.

Trade receivables showed a net increase of 102.9 bn between 2022 and 2023. This increase is mainly due to:

- 56.8 billion increase in receivables relating to tariff compensation;
- 2.6 billion increase in the VAT pro rata receivable;
- 45.7 billion increase in unpaid debts to the State, its

departments/agencies (local councils, etc.) and publicly-owned companies (Alucam, CDE, CAMTEL).

Debt to suppliers increased by 107.2 billion. This increase is mainly due to cash constraints linked to the non-recovery of trade receivables, which are also on the increase.

CAPEX PORTFOLIO FOLLOW UP

000 FCFA	December YTD		Variance 2023 vs 2022
	2022	2023	
Capex cwip to PPE	70146327	36079172	-48,57%
Capex direct acquisitions	3829760	547322	-85,71%
Total Closed Capex	73976088	36626494	-50,49%
Capex Payments (Cash out)	55152110	41080468	-25,51%

Progress report on the 2023 investment programme (156 Projects):

- The 2023 Investment Programme comprises 156 projects: 43 in Generation, 43 in Administration & IT, 64 in Distribution and 06 in Commercial;
- Of these 156 projects, 14 are pending launch: 9 in Generation, 03 in Administration & IT and 02 in Distribution;
- 142 projects have actually been implemented, with a commitment rate of 90%, i.e. CFAF 41.7 billion out of the total of CFAF 46.5

billion approved;

- In Generation, the budget consumption rate for the 34 projects was 79%, i.e. 9.15 billion out of the allocated budget of 11.64 billion CFA francs;
- In Distribution & Commercial, the budget consumption rate for the 68 projects is 99.42%, i.e. CFAF 29.10 billion out of the allocated budget of CFAF 29.27 billion.
- In Administration & IT, the budget consumption rate for the 40 projects is 62%, i.e. 3.5 billion out of the allocated budget of 5.6 billion.

Inauguration of Maroua and Guider solar plants (30MW)
September 2023





HIGHLIGHTS AND OUTLOOK FOR 2024

Major events
Outlook

MAJOR EVENTS

The following significant events have occurred since the end of the 2023 financial year:

- Delayed commissioning of Genset 1 of the Nachtigal on 15 June 2024 which generated extra costs on the purchase of fuel for ENEO in the first semester of 2024. The take-or-pay obligation for ENEO provided for in the PPA of Nachtigal thus commenced on 15 June 2024 in proportion to the generating units of Nachtigal commissioned on that date
- Collection of 30 billion of debt monetisation from ALUCAM, CAMWATER, CICAM and CDC formalised in December 2023
- Inadequate recovery from public entities due to:
- Insufficient payments from Alucam since the beginning of the year 2024
- No 2024 tariff compensation regulation
- Continued major disagreements between ENEO and ARSEL on

the 2023 tariff compensation and the previous years despite the transmission of supporting documents pertaining to investments from 2020 to 2023

- Complete shutdown of the generating units of the Dibamba power plant due to persistent unpaid debts of ENEO and the partial shutdown of generating units of Kribi for maintenance and insufficient payments
- Notification by the tax authorities of an AMR for late penalties related to the alleged late payment of taxes to be paid monthly by ENEO

The persistence of events and trends observed at the beginning of the year 2024 are likely to compromise not only the execution of the operational plan of the company in 2024 but also worsen the financial situation of the entire sector and all the actors involved.



OUTLOOK

Despite the significant financial constraints, Eneo has undertaken the best, within the framework of the 2024 operational plan, actions in order to ensure the supply of electricity, to ensure quality of service and to continue the modernisation of the company. These include:

- Construction of 14 new major public distribution lines as from the Nyom source substation in order to supply new suburbs of Yaounde, and to improve the quality of service in the Lékié division. This ambitious programme aims at especially harnessing part of the electrical energy from Nachtigal;
- Continuation of the wood pole replacement programme which addresses the issue of public safety and quality of service;
- Continuation of Eneo's transformation initiatives by modernising not only the operation and maintenance of generation and distribution facilities, but also tools for commercial and HR management as well as monitoring/evaluating of operations;
- Implementation of regional decentralisation so as to grow the performance of the company;
- Actions to confirm the good availability of generation equipment observed in the last quarter of 2023;
- Formalisation of 5 strategic objectives of the company, henceforth applicable to all employees of Eneo in order to ensure a better adherence to the challenges of the company and a joint action for the improvement of its performances.

Considering the significant events at the beginning of the 2024 fiscal year and the persistence of financial constraints, management undertook the following actions:

- Launching of robust recovery actions vis-à-vis major customers and public customers within the framework of a recovery committee put in place by the General Manager.
- Rolling out of a distribution efficiency adjustment plan in order to reverse the downward trend observed in 2023.
- Activation of a specific clause of the PPA of Nachtigal allowing for ENEO not to be in default by accepting to pay an alternative amount on the putting in place of the bank guarantee to be issued by ENEO for the benefit of the NHPC.
- Transmission to the inter-ministerial committee of the file on the refinancing of the medium and long-term debt of ENEO.
- Discussions ongoing with the Ministry of Finance on tax related matters
- Validation of the following amounts due by the State for the year 2023:

-- CFAF 7.9 billion preliminary validation by ARSEL for street lighting consumptions

-- CFAF 8.07 billion of consumptions by the State at the end of the year 2023 ()

-- CFAF 7.2 billion of remaining amount of VAT prorata

- Kick starting of the international expertise mechanism under the auspices of the CCI provided for in the concession agreement in order to settle the matter pertaining to the non-recognition of ENEO investments for the 2020-2023 period in the tariff base.
- Preparation of actions aimed at asserting the rights of ENEO on the file pertaining to the validation of street lighting consumptions.
- Discussions engaged with ARSEL and other actors of the sector to readjust the 2024 dispatch plan.
- Discussions ongoing with various major ENEO suppliers in order to make a precise statement on the debt of ENEO and to consider payment schedules consistent with collections from public entities.

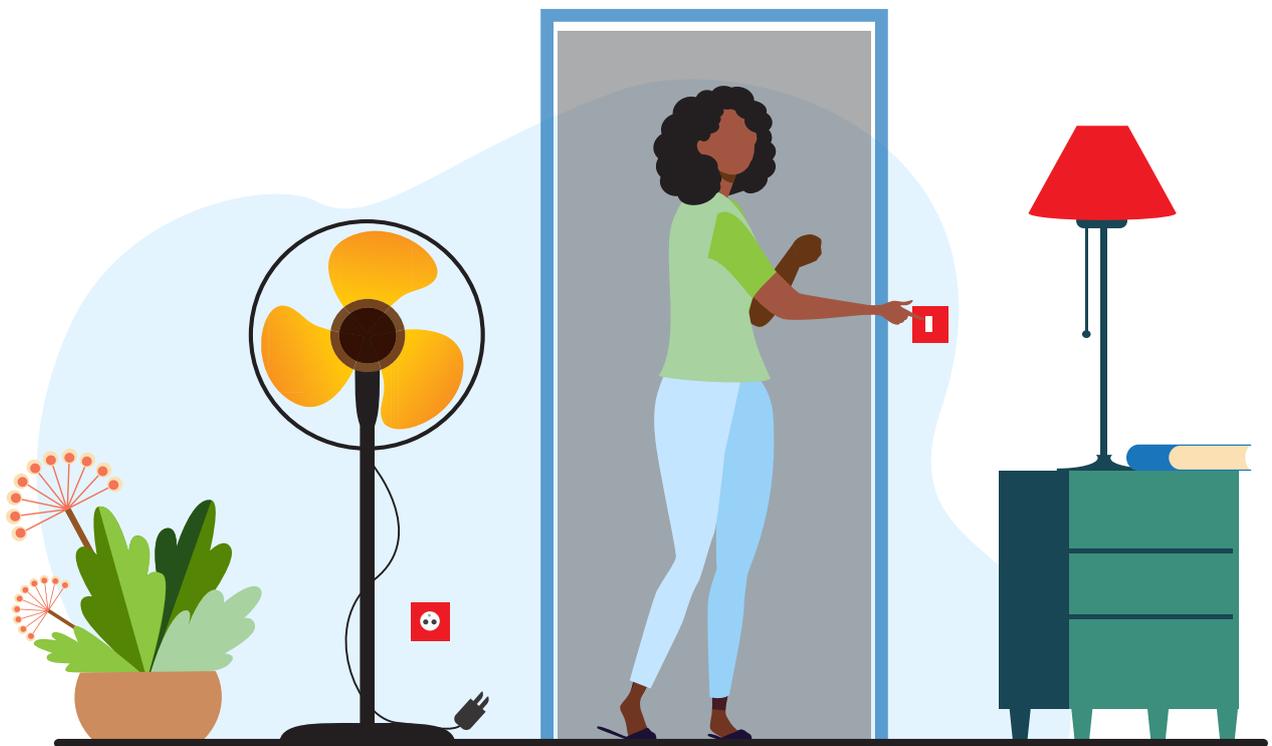
However, the actions initiated by management might not be enough to restore the increasingly precarious situation of the sector. Strong actions by public authorities are necessary and must notably include:

- Support to ENEO for the latter to wrap up the refinancing of the medium and long-term debt;
- Resolving the issue related to the recognition of investments in the tariff base and speeding up of the process on the validation of bills of the State and its departments especially the validation of street lighting consumptions;
- Adoption of strong measures in order to reduce the debts of departments of the State (local authorities and CTD) and certain public corporations vis-à-vis ENEO and so as to ensure more regular monthly payments of electricity consumed by public sector entities to ENEO;
- Adoption of accompanying fiscal measures vis-à-vis actors of the sector.
- Implementation of technical and financial measures to enable the sector to be ready for the commissioning of all the units at the Nachtigal Hydroelectric Power Plant.
- In particular, speeding up investment programmes in the transmission segment in order to allow for the satisfaction of industrial demand identified in 2024.
- Implementation of new debt clearance operations in the sector: *relement de dettes dans le secteur.*



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