



CEC RENEWABLES RELEASES AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

Financial Indicators

Revenue	EBITDA	Profit for the year	Capex	Cash generated from operations	Net debt (excluding shareholder funding)	Renewable energy generated
USD 8.658m	USD 7.134m	USD 1.082m	USD 14.234m	USD 3.952m	USD 10.239m	153.8 GWh

Commenting on the 2024 results, Assets Manager Hilton Fulele said:

CEC Renewables (CEC-R) continued to spearhead the CEC Group renewable energy agenda, making significant strides toward attaining it’s target of over 200 MW of solar PV generation capacity by 2027.

In 2024, our operational portfolio increased to 94 MW, marked by the successful commissioning of the 60 MW Itimpi-1 solar PV plant in April 2024, by the President of the Republic of Zambia, Mr. Hakainde Hichilema. This milestone highlights our progressive role in Zambia's solar PV development, generation, and operation. It underscores our dedication to energy diversification and our efforts to contribute to the country's increasing energy demand. As climate-related challenges continue to impact hydroelectric power generation, solar projects will provide a sustainable complement, to support the drive for economic growth in the region.

The increase in operational capacity and optimisation of our operations, drove a 231% surge in net energy generation for the year, increasing from 46.6 GWh in 2023 to 153.8 GWh in 2024. Sustainability was at the core of our operations throughout the year, with initiatives such as the introduction of robotic cleaning of solar modules to significantly reduce water consumption and the deliberate strategy of equal opportunities for all, which saw the female representation at Company level grow to 46% from zero in 2023.

We continued to leverage sustainable finance for the development our renewable energy projects with the issuance of the second tranche of the Green Bond, issued on 5 December 2024, which raised USD 96.728 million. The proceeds from this issuance will be directed towards the development of the second phase of the Itimpi Solar Project, which will deliver an additional 136 MW of solar PV generation capacity. This second tranche significantly exceeded expectations with an oversubscription rate of 230% and stands as a testament to the strong investor confidence and trust in CEC R's vision of generating renewable energy, contributing to the diversification of the country’s energy mix, and delivering sustained value to its stakeholders. Combined with the first tranche of USD 53.538 million, issued in December 2023, this brings the total issuance under the programme to USD 150.266 million.

Summary statement of profit or loss and other comprehensive income

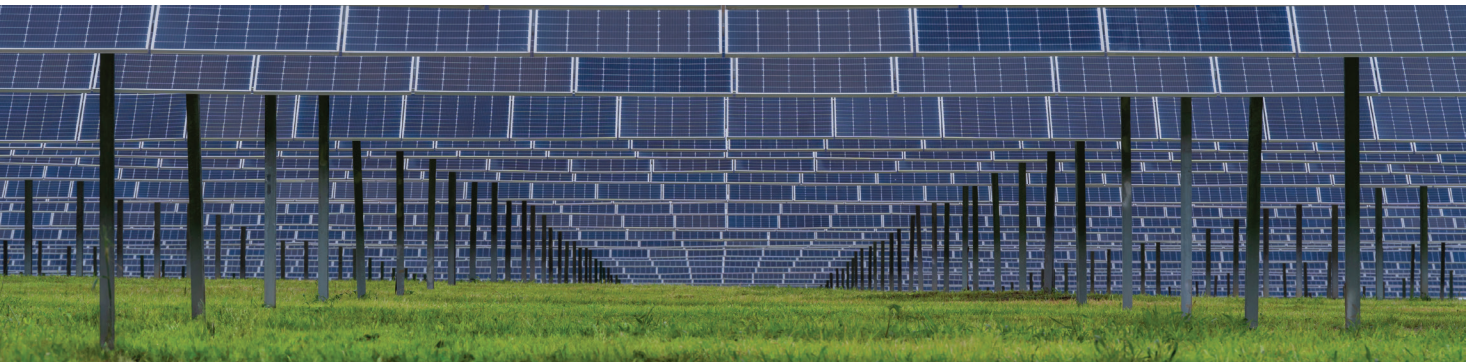
	Year ended 31 December 2024	Year ended 31 December 2023 <i>Restated*</i>
	USD’000	USD’000
Revenue from contracts with customers	8,658	2,533
Cost of providing services	(2,472)	(796)
Gross profit	6,186	1,737
Other income	7	-
Administrative expenses	(1,355)	(359)
Operating profit	4,838	1,378
Finance income	414	13
Finance costs	(4,418)	(916)
Profit before income tax	834	476
Income tax credit/ (expense)	248	(258)
Profit for the year	1,082	217
Other comprehensive income	-	-
Total comprehensive income for the year	1,082	217

Summary statement of financial position

	As at 31 December 2024	As at 31 December 2023 <i>Restated*</i>
	USD’000	USD’000
Total non- current assets	64,166	52,185
Total current assets	137,751	26,022
Total assets	201,917	78,207
Total equity	21,121	18,583
Total non-current liabilities	144,375	51,857
Total current liabilities	36,421	7,767
Total equity & liabilities	201,917	78,207

Summary of statement of cash flows

	Year ended 31 December 2024	Year ended 31 December 2023 <i>Restated*</i>
	USD’000	USD’000
Net cash used in operating activities	(1,139)	(424)
Net cash used in investing activities	(8,832)	(12,439)
Net cash generated from financing activities	120,642	37,812
Net increase in cash and cash equivalents	110,671	24,949
Effects of foreign exchange rate changes on cash held	1	-
Cash and cash equivalents at the beginning of the year	24,949	-
Cash and cash equivalents at the end of the year	135,621	24,949



Summary of statement of changes in Equity

	Share capital USD’000	Share premium USD’000	Accumulated profits/(losses) USD’000	Total USD’000
Year ended 31 December 2023				
At start of the year	6	2,994	(6)	2,994
Profit for the year	-	-	217	217
Total comprehensive income for the year (restated)	-	-	217	217
Transactions with owners:				
Land transferred to CEC Renewables	-	958	-	958
Shareholder loan converted to equity	-	14,414	-	14,414
Total transactions with owners	-	15,372	-	15,372
At the end of the year (restated)	6	18,366	211	18,583
Year ended 31 December 2024				
At the start of the year	6	18,366	211	18,583
Profit for the year	-	-	1,082	1,082
Total comprehensive income for the year	-	-	1,082	1,082
Transactions with owners:				
Shareholder equity injection	-	1,456	-	1,456
Total transactions with owners	-	1,456	-	1,456
At end of year	6	19,822	1,293	21,121

Looking ahead, we remain committed to expanding our generation capacity, optimising operations, and delivering long-term value for our stakeholders. We extend our appreciation to all our partners and employees for their continued dedication to our mission of driving the CEC Group renewable energy future. We remain confident that our strategic initiatives and ongoing projects will continue to drive growth and innovation.

Financial Highlights

Revenue for the year ended was USD 8.658 million up from USD 2.533 million in 2023, a 242% growth on account of the commissioning of the first phase of the Itimpi Solar Plant and improved performance of the Riverside Solar Plant. Profit after tax grew by 399% to USD 1.082 million (2023: USD 0.217 million).

The Company paid out interest coupons of USD 5.181 million on the Green Bond for the year underscoring our commitment to financial integrity and creating value for our investors.

We continued to invest in renewable energy generation infrastructure, with Capital expenditure of USD 14.234 million (2023: USD 17.509 million) spent during the year 2024.

As of 31 December 2024, the cash balance stood at USD135.621 million (2023: USD 24.949 million) having received financing for the second phase of the Itimpi project, by means of Green Bond Issuance of USD 96.728 million (2023: USD 53.538 million) and shareholder funding of USD 29.127 million. When completed, the project is expected to generate electrical energy of 273 GWh per annum and grow the Company revenue by over 160%.

Dividends

No dividend was declared and paid during the period under review to allow for the returned earnings to be reinvested in the Company, being only in its second year of operations.

Cautionary on Forward-looking Information

This summary results announcement contains financial and non-financial forward-looking statements about the Company’s performance and position. The statements reflect management’s current views with respect to certain future events. Whilst all forward-looking information contained herein is realistic at the date of this report, actual results may differ from those anticipated. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause CEC Renewables’ actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although CEC Renewables believes that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. We take no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the statements have been made.

About the Company

CEC Renewables Limited is a wholly owned subsidiary of CEC PLC, incorporated on 28th October 2022 as a platform for renewable energy expansion, designed to scale up the deployment of renewable energy across the Zambian Grid. The Company’s principal activity is renewable energy generation. CEC Renewables currently has an installed capacity of 94 MW of Photovoltaic (PV) solar power generated from its 34 MW Plant in Riverside, Kitwe and 60 MW Plant in Itimpi, Kitwe.

By Order of the Board

Eric M. Hanziba

Company Secretary

LUSAKA SECURITIES EXCHANGE SPONSORING BROKER



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