15 May 2020

ContourGlobal plc

Trading Update

ContourGlobal plc (the "**Company**"), an international owner and operator of contracted wholesale power generation businesses, today issues a trading update for the period from 1 January 2020 to 31 March 2020.

Joseph Brandt, Chief Executive Officer, said, “This is a strong set of results, particularly given the current background and we maintain our 2020 Adjusted EBITDA guidance of $710 million to $745 million.[1] We remain focused on the health and well-being of our employees and I would like to thank our power plant-based front line employees who have kept all of our facilities operational and safe during this challenging period. We continue to experience only minimal operational and financial impact from COVID-19.”

“I am pleased to confirm the first quarter dividend payment of 4.0591 cents per share, maintaining our commitment to a 10% annual increase in dividends and which reflects our strong and predictable cash flow generation.”

Strong operating and financial performance

- Continued industry leading Health and Safety performance with 0.00 Lost Time Incident Rate (“LTIR”) in the first 3 months of 2020.
- Operational performance remains strong with an average availability factor of 96.3% combined across the thermal and renewable fleets, compared to 95.9% for the comparable period last year.
- Adjusted EBITDA up 20% from $144.4 million to $172.7 million, driven by the Thermal division, reflecting the Mexico CHP acquisition completed in November 2019 (+$25m), and higher availability and capacity factors in some of our power generation assets (+$5m). Adjusted EBITDA in the Renewable division of $68m was in line with the comparable period. These positives were partially offset by a negative FX effect (-$6.7m) due to EUR and BRL depreciation (EUR/USD of 1.10 and BRL/USD of 0.226 average rates for the first three months of 2020).
- Strong cash flow generation with Funds from Operations (“FFO”) reaching $74.5 million in Q1 2020, an 8% increase from Q1 2019, mainly explained by growth in Adjusted EBITDA, offset by higher interest expense due to Mexican CHP related interest, higher maintenance capex and higher distributions to minorities.
- Our cash conversion rate defined as FFO / Adjusted EBITDA continued to be strong at 43% in Q1 2020, slightly lower than Q1 2019 (47%), reflecting the FFO impacts mentioned above.
- As separately announced today, the Company will pay a dividend for Q1 2020 of 4.0591 cents per share,[2] to be paid on 26 June 2020. This is in line with the Company commitment to an annual 10% increase in dividend per share.

COVID-19

At this point, the Company is experiencing no material operational or financial impact as a result of COVID-19.

Activity has been focused in three key areas:

1. Health, safety and welfare of employees
2. Availability and reliability of our operations including the performance of our power plants as well as active and ongoing management of our supply chain
3. Management of relations with our off-takers

Through the continuous and innovative hard work of the Company's COVID-19 task force we have obtained and are deploying both PCR tests, antibody testing, and PPE at our power plant locations and our offices. Meaningful operational changes put into place in late February have enabled the Company's 107 power plants to continue to operate safely and without interruption.

As noted on 17 March, each of the Company's power plants and offices have for years been interconnected with video, audio and data, enabling all of our offices to work remotely.

Action was taken around critical spares and inventory to ensure continued reliability of operations. To date, the disruption in spares and supply chain has been insignificant.

The Company is not involved in the distribution of power and has limited exposure to merchant markets and energy pricing. The Company has received force majeure notices from some suppliers and commercial customers, but these have not been material and are not expected to impact future operations.

ContourGlobal is a cash generative business with the vast majority of revenues being contracted over a number of years. As set out on 17 March, the Company does not face any near-term refinancing requirements and has good liquidity at the parent Company and at its projects. The majority of our debt, $3.1 billion (as at 31 December 2019), is at the project level and amortizes over time. At the parent level, the Company has issued corporate notes, €450 million maturing in 2023 and €400 million maturing in 2025.

Mexico CHP integration

In November 2019, we completed the acquisition of two natural gas-fired combined heat and power ("**CHP**") plants in Mexico, together with development rights and permits for a third plant. Q1 2020 was the first with full quarter operations of the Mexican CHP assets. The assets have now been integrated within ContourGlobal.

Delivering on our growth commitments

We continue to focus on external growth opportunities, which may increase as a result of the current environment, and our M&A pipeline remains robust.

Operational highlights				
		Q1 2020	**Q1 2019**	**Change**
GWh produced	Thermal	2,275	2,280	-0.2%
	Renewable	923	1,026	-10.0%
MW in operation	Thermal	3,031	2,510	+20.8%
	Renewable	1,815	1,775	+2.3%
Availability factor	Thermal	96.4%	95.3%	+115bps
	Renewable	96.2%	96.8%	-57bps

Financial highlights			
In $ millions	**Q1 2020**	**Q1 2019**	**Change**

Revenue	356	288	+23.8%
Income from Operations	76	61	+24.4%
Adjusted EBITDA*	173	144	+19.6%
Thermal Adj. EBITDA	114	85	+34.6%
Renewable Adj. EBITDA	68	69	-0.4%
Corporate and other costs	(10)	(9)	+9.1%
Proportionate Adjusted EBITDA*	138	126	+9.9%
Funds from Operations (FFO)*	75	69	+8.1%
Net Profit	3	8	-59.5%
Adjusted Net Profit*	7	13	-47.7%

**Non-IFRS metrics*

Buy-back

The Company commenced a buy-back programme on 1 April 2020, to repurchase up to £30 million of shares. To date 2,811,378 shares have been repurchased and are held in treasury, for a consideration of £4.3 million.

Outlook

ContourGlobal's business model is highly resilient with stable and predictable cashflows. We have not seen meaningful disruption to operations as a result of COVID-19 to date, and current trading is in line with our expectations. As a result, we reiterate our guidance for Adjusted EBITDA in the range of \$710m - \$745m[1] highlighted in the 2019 Full Year Results Announcement and maintain our dividend policy of an 10% annual increase in dividend per share.

The Company will next update the market at the Annual General Meeting on 27 May.

1 Based on constant exchange rates from 2019 of EUR/USD 1.12 and BRL /USD 0.25, and assuming no prolonged disruption to operations, human resource and to our off-takers from the current Covid-19 pandemic.

2 Payment of 4.0591 cents per share, or 3.3244 pence per share. Further details on timing announced separately today.

Enquiries

Investor Relations - ContourGlobal
John Smelt
+44 203 62690 47
john.smelt@contourglobal.com
investor.relations@contourglobal.com

Media - Brunswick
Charles Pretzlik/Simon Maine
Tel: +44 (0) 207 404 5959
Contourglobal@brunswickgroup.com

About ContourGlobal

ContourGlobal is listed on the premium segment of the London Stock Exchange (TKR: GLO). ContourGlobal is an international owner and operator of contracted wholesale power generation businesses with approximately 4.8 GW in operation in 18 countries. ContourGlobal operates a portfolio of 107 thermal and renewable power plants across Europe, Latin America, and Africa utilizing a wide range of technologies.

Cautionary note regarding forward-looking statements

These results include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “goal”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout these results and the information incorporated by reference into these results and include statements regarding the intentions, beliefs or current expectations of the directors or the Company concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of the Company and the industry in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. Forward-looking statements are not guarantees of future performance. The Company's actual results of operations, financial condition, liquidity, dividend policy and the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in these results and/or the information incorporated by reference into these results. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the Company and the development of the industry in which it operates, are consistent with the forward-looking statements contained in these results and/or the information incorporated by reference into these results, those results or developments may not be indicative of results or developments in subsequent periods.

Other than in accordance with its legal or regulatory obligations, the Company does not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.