Current Report of
ContourGlobal Limited
and
ContourGlobal Power Holdings S.A.

Date of Report: January 20, 2025

Today, we provided the information below to certain prospective investors. We hereby release the information below to the market.

Please refer to Annex A for our unaudited interim financial statements as of and for the nine months ended September 30, 2024.

Please refer to Annex B for our audited financial statements as of and for the year ended December 31, 2023.

Please refer to Annex C for certain defined terms used in this Current Report.

RCF Extension and Upsize

In early February 2025, the Revolving Credit Facility Agreement is expected to be amended and restated pursuant to an amendment and restatement agreement to increase the commitments thereunder and extend their maturity, among certain other amendments, and will provide for a revolving credit facility (the "RCF") with commitments of €110.0 million. The RCF is not expected to be drawn as of the amendment and restatement date.

Upsize of Revolving Credit Facilities under the Midco Senior Facilities Agreement

In early February 2025, the Midco Senior Facilities Agreement is expected to be amended and restated pursuant to an amendment and restatement agreement to provide for revolving credit facilities with commitments of €240.0 million maturing in November 2028.

Trading Update

Our revenue and Adjusted EBITDA for the two months ended November 30, 2024 remain in line with historical trends and our results for the nine months ended September 30, 2024.

The financial information above is preliminary and has been prepared by management. It is based on a number of assumptions that are subject to inherent uncertainties and subject to change, and has not been audited or reviewed by independent auditors. Although we believe the financial information to be reasonable, actual results may vary from the information contained below and such variations could be material. As such, you should not place undue reliance on this information. This financial information may not be indicative of the remainder of the quarter or any future period.

Run-Rate Adjusted EBITDA

The following table reconciles Adjusted EBITDA and Run-Rate Adjusted EBITDA for the twelve months ended September 30, 2024:

	Twelve months ended September 30, 2024
(in millions of dollars)	
Adjusted EBITDA	**831.7**
Maritsa coal adjustment[a]	(51.2)
Brazil Wind sale[b]	(25.6)
Maritsa BESS project impact[c]	16.3
Chilean PV and BESS Portfolio Acquisition[d]	107.9
Colorado and Virginia PV Portfolio Acquisition[e]	27.0
Run-Rate Adjusted EBITDA	**906.2**

(a) Represents an adjustment to exclude the Adjusted EBITDA contribution of the Maritsa coal plant for the twelve months ended September 30, 2024, reflecting our expected exit from coal-based energy production in Bulgaria.

(b) Represents an adjustment to exclude the Adjusted EBITDA contribution of Brazil Wind for the twelve months ended September 30, 2024, reflecting the disposal of our wind farms in Brazil in June 2024.

(c) Represents our estimate of the Adjusted EBITDA contribution of the Maritsa BESS project on a full-year post-COD basis. We expect the Maritsa BESS project to have a COD in the third quarter of 2025. We have assumed BESS installed capacity of 202 MW and BESS energy discharge of 260.6 GWh and that the Maritsa BESS project's revenues are generated on a merchant basis. To determine the projected merchant revenue, we used the "central" scenario from a study commissioned by a reputable market research firm in the fourth quarter of 2024 that estimates a margin of €87.4 per kW (as adjusted for inflation) in the year ended December 31, 2026 when considering energy trading revenues only. Capacity-based ancillary services revenues have been considered in an "upside" scenario only and therefore are not included in our revenue assumptions. The project is expected to have total operating expenses of approximately $2.7 million in the year ended December 31, 2026.

(d) Represents our estimate of the Adjusted EBITDA contribution of the Chilean PV and BESS Portfolio Acquisition assets on a full-year post-COD basis, reflecting twelve months of operations for Quillagua and eleven months of operations for Victor Jara. Quillagua has a first segment of 103 MW of PV in operation and a second segment under construction of 118 MW of PV and 1.2 GWh of BESS, which is expected to reach COD in the third quarter of 2025. Victor Jara—a 231 MW PV plant coupled with 1.3 GWh of BESS—started construction in December 2024 and is expected to reach COD by January 2026. The portfolio is expected to generate revenue from the following sources: (i) fixed-price overnight PPAs for the Victor Jara BESS project and the Quillagua BESS project, each with an investment-grade off-taker, (ii) market operations — such as selling excess PV generation, BESS discharging, BESS charging from the grid, and energy withdrawals to fulfill the PPAs — are expected to contribute, in total, to a net merchant margin of approximately $36 million in the year ended December 31, 2026, based on an average PV injection price assumption of $14/MWh and an average BESS injection price of $68/MWh and (iii) capacity payments, which are expected to total approximately $37 million in the year ended December 31, 2026, based on 157

MW of recognized capacity for each project and an average capacity price of $9.8 k/MW-month. The portfolio is expected to have total operating expenses of approximately $12 million in the year ended December 31, 2026.

(e) Represents our estimate of the combined Adjusted EBITDA contribution of the Colorado and Virginia PV Portfolio Acquisition assets on a full-year post-COD basis. The portfolio is comprised of (i) a 185 MW project in Colorado currently in construction with a COD expected in the second quarter of 2025, (ii) a 139 MW project in Colorado currently in construction with a COD expected in the fourth quarter of 2026 and (iii) a 122 MW project in Virginia expected to start construction in the second quarter of 2026 with a COD expected in the fourth quarter 2027. The Adjusted EBITDA contribution is primarily based on the annual revenue expected to be generated by the 20- to 22-year busbar PPAs entered into by each of the three projects with investment grade utilities. The portfolio is expected to have total operating expenses of approximately $9.3 million in the year ended December 31, 2028.

This presentation of Run-Rate Adjusted EBITDA is for informational purposes only. Run-Rate Adjusted EBITDA does not represent the results we would have achieved had each of the items above for which an adjustment is made occurred on or prior to October 1, 2023. This information is inherently subject to significant business, economic and competitive risks and uncertainties that could cause our actual results to differ materially from those assumed in the adjustments. Run-Rate Adjusted EBITDA has been prepared for illustrative purposes only and it does not purport to estimate, project or guarantee our results of operations at any future date. The adjustments to Run-Rate Adjusted EBITDA are based upon forecasts and estimates and are in part based upon historical information. Our estimates of future revenues and expenses are primarily based upon a number of expectations and assumptions, which may prove to be incorrect. Run-Rate Adjusted EBITDA as included in this Current Report has not been prepared in accordance with IFRS or any generally accepted accounting standards. Run-Rate Adjusted EBITDA has not been, and cannot be, audited, reviewed or verified by any independent auditors and has been prepared by, and is the responsibility of, the Company's management. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of our financial condition or results of operations, may not be comparable to our other financial statements or the other financial information included in this Current Report.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of our financial condition and results of operations in the periods set forth below, based on data extracted from the financial statements of the Group. The following presentation and analysis contain forward-looking statements which, although based on assumptions that we consider reasonable, involve risks and uncertainties. Our future results may differ materially from those expected or implied in these forward-looking statements.

The following tables set forth our summary consolidated financial information and other data for the periods ended and as of the dates indicated below. Our summary consolidated financial information as of and for each of the financial years ended December 31, 2021, 2022 and 2023 has been derived from the audited financial statements. Our summary consolidated interim financial information as of and for the nine months ended September 30, 2023 and 2024 has been derived from the unaudited interim financial statements as of and for the nine months ended September 30, 2024, which are included in Annex A to this Current Report.

The financial information for the twelve months ended September 30, 2024 has been calculated by subtracting the financial information for the nine months ended September 30, 2023 from the financial information for the year ended December 31, 2023 and adding the financial information for the nine months added September 30, 2024; this financial information was derived from the unaudited interim financial statements for the nine months ended September 30, 2023, the audited financial statements for the year ended December 31, 2023 and the unaudited interim financial statements for the nine months ended September 30, 2024, respectively.

The information below includes certain unaudited non-IFRS measures that we use to evaluate our economic and financial performance. These measures are not identified as accounting measures under IFRS or any other generally accepted accounting principles and therefore should not be considered a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or any other generally accepted accounting principles or those calculated using financial measures that are prepared in accordance with IFRS or any other generally accepted accounting principles.

Overview

We are a developer and operator of wholesale electric power generation businesses. We own and operate a diversified portfolio of 130 renewable and thermal power plants with a gross capacity of approximately 5,564 megawatts ("MW") across 20 countries on five continents (Europe, Asia, North America, South America and Africa) with 77% of our Adjusted EBITDA for the nine months ended September 30, 2024 generated from our operations in countries belonging to the Organisation for Economic Co-Operation and Development ("OECD"). Additionally, we have 59 assets under construction or under development with an expected gross capacity of approximately 4 GW, which includes assets under construction with gross capacity of approximately 1 GW and assets under development with gross capacity of approximately 3 GW. Our power plants utilize a variety of generation technologies, including, among others, wind, solar, hydro, high-efficiency cogeneration, natural gas, fuel oil and coal. In the nine months ended September 30, 2024, we had a fuel source base of approximately 30% of renewables (hydro, wind and solar), 21% of high-efficiency cogeneration (Mexico CHP, Borger and CG Solutions, among others), 37% natural gas and fuel oil and 12% coal based on our Adjusted EBITDA for the nine months ended September 30, 2024, excluding Brazil Wind. In the twelve months ended September 30, 2024 based on our Run-Rate Adjusted EBITDA, before Corporate and Other costs, we would have had an expected fuel source base of approximately 41% of renewables (hydro, wind, BESS and solar), 17% of high-efficiency cogeneration (Mexico CHP, Borger and CG Solutions, among others), 35% natural gas and fuel oil and 7% coal.

Operating Segments

As of December 31, 2023, we changed our segment reporting from technological segments to geographical segments, which affects the comparability of segmental results prior to the year ended December 31, 2022.

We organize our business into two geographical operating segments as follows:

- *Americas*. This geographical segment consists of power generating plants using (i) renewable resources such as wind and solar combined with batteries and (ii) thermal conventional fuels such as natural gas, diesel and coal. Our Americas plants include wind assets in Peru and Bonaire; PV and BESS assets in Bonaire; high efficiency cogeneration assets in Mexico, Brazil and the United States; gas-fired assets in the United States, Colombia and Trinidad and Tobago; liquid fuel assets in Saint Martin, Bonaire and the United States; and one coal asset in Colombia. Our Americas segment has a gross capacity of 2.6 GW. For the nine months ended September 30, 2024, our Americas segment generated $722.5 million in revenue, representing 55% of consolidated revenue, and Adjusted EBITDA of $333.6 million, representing 53% of Adjusted EBITDA before Corporate and Other costs.

- *Europe & Africa*. This geographical segment consists of power generating plants using (i) renewable resources such as wind, hydro and solar and (ii) thermal resources such as natural gas and fuel oil and, limited to particular operations at our Maritsa plant in Bulgaria, coal. We are currently repurposing two of the four energy production units at our Maritsa coal site in Bulgaria to renewable energy production (PV and BESS), which we anticipate will add 404 MW of additional renewable capacity by 2027. Maritsa has interconnection to the Bulgarian power transmission grid for a total of 888 MW of capacity through four main power transformers (202 MW each) and two start-up transformers (40 MW each), all owned by Maritsa and connected to the high voltage 220 kV grid of Bulgaria. As a result, the Maritsa site has the potential to connect to the grid up to 888 MW of renewable generation, which we believe provides us with a competitive advantage over competitors in the Bulgarian renewable power market, as well as the potential for meaningful upside on the rate of return on our investments in the Maritsa development. While we continue the development of the repurposing of unit one and unit two, unit three and unit four will be available for commercial operation during the winter months starting in January 2025 as requested by the Minister of Energy of Bulgaria to avoid risk of supply and demand mismatch that could lead to black-outs in the region. We have also entered into negotiations with the government of Bulgaria to determine the future of the two remaining coal-based generating units in Maritsa. Depending on the outcome of these negotiations, after the first development phase, we may enter into a second phase of renewable development for the two remaining units but, in any case, subject to government emergency one-off assistance, we expect to no longer operate the coal units from the third quarter of 2025 onwards. We are also in advanced discussions to convert our fuel oil plant in Senegal to a dual-fuel plant that will run on natural gas and heavy fuel oil, which we plan to complete in the near term, as part of our decarbonization strategy. Our European plants include Vorotan hydro cascade, Austria Wind, the Maritsa Renewables project currently under development, Arrubal CCGT, Spanish CSP and Solar Italy as well as other European plants. Our African plants include assets in Nigeria, Togo, Senegal and Rwanda. Our Europe & Africa segment has a gross capacity of 2.9 GW. For the nine months ended September 30, 2024, our Europe & Africa segment generated $589.0 million in revenue, representing 45% of consolidated revenue, and Adjusted EBITDA of $293.6 million, representing 47% of Adjusted EBITDA before Corporate and Other costs.

Certain financial information provided in respect of each of our segments is provided before accounting for certain corporate overhead expenses and other matters in our income statement that arise in the ordinary course of business and are associated with corporate activities. These expenses are primarily comprised of costs for certain centralized functions including executive oversight, corporate treasury and accounting, legal, compliance, human resources, IT and facilities management and certain technical support costs that are not allocated to our operating segments for internal management reporting purposes.

Comparability of Results of Operations

Acquisition of new businesses

In the period from January 1, 2021 through September 30, 2024 we acquired five new businesses for an aggregate consideration of $736.2 million ($3 million in the nine months ended September 30, 2024 for the acquisition of the Sun Tribe Development Portfolio, $15.3 million in the year ended December 31, 2023 for the acquisition of an additional stake of 24.9% in our TermoemCali business, $37.9 million in the year ended December 31, 2022 for the acquisition of the remaining 51% in our Sochagota business and $680.0 million in the year ended December 31, 2021 for the Western Generation (as defined below) portfolio acquisition and the Green Hunter (as defined below) portfolio acquisition). As a result of these acquisitions, our consolidated results of operations may not be comparable between periods. The following table is a schedule of the projects acquired that affect the comparability of any of the periods included in this Management's Discussion and Analysis:

Power Plant	Location	Date of Acquisition	MW
Western Generation	United States and Trinidad and Tobago	February 2021	1,502
Additional Solar Portfolio	Italy	November 2021	18
Sochagota	Colombia	December 2022	177
TermoemCali	Colombia	September 2023	240
Sun Tribe Development Portfolio	United States	August 2024	151

- **Western Generation Portfolio Acquisition**. On February 18, 2021, we acquired from Western Generation Partners, LLC the Western Generation assets (comprising the U.S. assets Hobbs, Borger, Redwood and Waterside and the Trinidad and Tobago plant, Trinity, referred to collectively as "Western Generation") with total gross capacity totaling 1,502 MW for a total consideration of $646.1 million during the year ended December 31, 2021. The total gross capacity of this acquisition represents 27% of the total gross capacity of our portfolio as of September 30, 2024.

- **Additional Solar Portfolio**. In November 2021, we acquired from a group of private shareholders 100% of the shares of Green Hunter Group S.à r.l. ("Green Hunter"), the parent entity of a portfolio of PV assets in Italy totaling 18 MW of gross capacity for a total consideration of $33.9 million during the year ended December 31, 2021. The total gross capacity of this acquisition represents less than 1% of the total gross capacity of our portfolio as of September 30, 2024.

- **Acquisition of Sochagota**. In December 2022, we completed the acquisition of the remaining 51% of the Sochagota business (coal generation asset with 177 MW of gross capacity) that we did not previously own, thereby obtaining a 100% interest in Sochagota and resulting in control of the business. Consequently, from January 1, 2023, we have consolidated Sochagota into our financial results. Prior to that date, it was accounted for as an equity-method investment. The total consideration for the acquisition was $37.9 million and the gain on deemed disposal was $16.8 million during the year ended December 31, 2022.

- **Acquisition of TermoemCali**. In September 2023, we completed the acquisition of an additional stake of 24.9% in our TermoemCali business (fuel oil and gas-fired generation asset with 240 MW of gross capacity), in addition to our previously owned 37.4%, thereby obtaining a 62% interest in TermoemCali and resulting in control of the business. Consequently, from October 1, 2023, we have consolidated TermoemCali into our financial results. Prior to that date, it was accounted for as an equity-method investment. The total consideration for the acquisition was $15.3 million and the gain on deemed disposal was $6.2 million during the year ended December 31, 2023.

- **Sun Tribe Development Portfolio Acquisition**. In August 2024, we acquired from Sun Tribe Development LLC two late-stage PV assets located in South Carolina with gross capacity of 151 MW for a total consideration of $3 million. We expect the first phase of the portfolio to commence commercial operations in 2029.

We acquired three additional businesses after September 30, 2024. The following table is a schedule of the projects acquired:

Power Plant	Location	Date of Acquisition	MW
Colorado and Virginia PV Portfolio..............................	United States	December 2024	446
Arizona PV and BESS Asset......	United States	December 2024	567 of PV and 321 of BESS (4 hours of storage)
Chilean PV and BESS Portfolio .	Chile	December 2024	452 of PV and 400 of BESS (6.5 hours of storage)

- **Colorado and Virginia PV Portfolio Acquisition**. In December 2024, we acquired from Hanwha Qcells a portfolio of three late-stage/under construction PV assets located in Colorado (two assets) and Virginia (one asset) with gross capacity of 446 MW for a total net consideration estimated at $76 million (of which $53 million was paid in December 2024) excluding the reimbursement of incurred construction costs of $168 million. We expect the portfolio to become commercially operational in phases between 2025 and 2027. All three assets have secured 20- to 22- year busbar PPAs with investment grade utilities.

- **Arizona PV and BESS Asset Acquisition**. In December 2024, we acquired from ArcLight a late-stage hybrid development asset located in Arizona with PV gross capacity of 567 MW and BESS gross capacity of 321 MW (1.3 GWh) with four hours of storage for a total consideration of $8 million, with additional deferred compensation owed to the seller upon our reaching certain milestones (e.g., the signing of PPAs). The project has completed key development milestones, including environmental assessment, interconnection and permitting. The project is currently in the marketing phase for potential off-take agreements.

- **Chilean PV and BESS Portfolio Acquisition**. In December 2024, we acquired from Grenergy a portfolio of two late-stage hybrid assets located in North Chile with PV gross capacity of 452 MW and BESS gross capacity of 400 MWh with 6.5 hours of storage for a total consideration of $160 million excluding the reimbursement of incurred construction costs of $109 million. The portfolio is comprised of two independent projects in the regions of Atacama ("Quillaga") and Tarapacá ("Victor Jara"). Quillagua has a first segment of 103 MW of PV in operation and a second segment under construction of 118 MW of PV and 1.2 GWh of BESS, which is expected to reach COD in the third quarter of 2025. Victor Jara—a 231 MW PV plant coupled with 1.3 GWh of BESS—started construction in December 2024 and is expected to reach COD by January 2026. Each of Quillaga and Victor Jara have secured a 15-year PPA with an investment grade counterparty. Pursuant to the acquisition, we assumed existing debt associated with Victor Jara and Quillagua of $643 million.

Re-contracting of PPAs

In the period from January 1, 2022 through December 31, 2023, we acquired the remaining 51% in our Sochagota business and we acquired an additional stake of 24.9% in our TermoemCali business, resulting in us gaining control of both Sochagota and TermoemCali. The acquisitions were followed by the re-contracting of agreements for both plants by way of a four-year re-contracting of the Sochagota PPAs through 2027 and the re-contracting of TermoemCali pursuant to a reliability charge through 2028. The re-contracted PPAs have similar or higher pricing than historically contracted.

In 2024, as part of its regular operations, Mexico CHP entered into various negotiation processes with key clients to extend the terms of such PPAs and in 2024 more than 25 PPA term extensions were executed. Two existing PPAs were not renewed. The majority of the PPA extensions commence in 2025 and will be valid until 2029. The re-contracted PPAs have similar pricing compared to the previous PPAs but include more flexibility for the off-takers (e.g., less take or pay in some PPAs but with similar energy contracted).

In 2024, Redwood re-contracted resource adequacy contracts with terms from 2025 to 2027 for approximately 95 MW and 2028 to 2030 for approximately 50 MW at significantly higher prices than historically contracted.

In November 2023, Borger entered into PPA and steam contract extensions for an additional 15 years at higher prices than historically contracted. The contract extensions are subject to local regulatory approval. The 15-year extension of the PPA will start one month after regulatory approval.

In February 2024, we reduced commercial operations at Maritsa following the expiration of its long-term PPA. We are currently repurposing two of the four energy production units at Maritsa to renewable energy production (PV and BESS). While we continue the development of the repurposing of unit one and unit two, unit three and unit four will be available for commercial operation during the winter months starting in January 2025 as requested by the Minister of Energy of Bulgaria to avoid risk of supply and demand mismatch that could lead to black-outs in the region. We have also entered into negotiations with the government of Bulgaria to determine the future of the two remaining coal-based generating units in Maritsa. Depending on the outcome of these negotiations, after the first development phase, we may enter into a second phase of renewable development for the two remaining units but, in any case, subject to government emergency one-off assistance, we expect to no longer operate the coal units from the third quarter of 2025 onwards. We intend to operate our Maritsa Renewables asset on a merchant basis and to explore PPA opportunities in the market.

Businesses sold

In the period from January 1, 2021 through September 30, 2024, we sold three businesses for an aggregate consideration of $247.3 million ($62.8 million in the nine months ended September 30, 2024, nil in the year ended December 31, 2023, $181.0 million in the year ended December 31, 2022 and $3.5 million in the year ended December 31, 2021). As a result of these disposals, our consolidated results of operations may not be comparable between periods. The following table is a schedule of the disposals that affect the comparability of any of the periods included in this Management's Discussion and Analysis:

Power Plant	Location	Date of Disposal	MW
Italy Biogas	Italy	August 2021	2
Brazil Hydro	Brazil	June 2022	168
Brazil Wind	Brazil	June 2024	596

- **Sale of Italy Biogas**. In August 2021, we completed the sale of the Italy Biogas business, which comprised two biogas plants with 2 MW of gross capacity. The transaction price for the sale was €3.1 million ($3.5 million equivalent) during the year ended December 31, 2021 and resulted in a gain on disposal of $5.8 million.

- **Sale of Brazil Hydro**. In June 2022, we completed the sale of the Brazil Hydro business, which comprised nine run-of-river hydro-electric generation assets with 168 MW of gross capacity. The transaction price for the sale was approximately BRL 946 million ($181.0 million equivalent) and the gain on disposal was $121.2 million (equivalent) during the year ended December 31, 2022.

- **Sale of Brazil Wind**. In June 2024, we completed the sale of the Brazil Wind business, which comprised our wind farms Chapada and Asa Branca, the Sao Paulo office, and the intelligence center in Natal with an aggregate 596 MW of gross capacity. The transaction price for the sale was BRL 321.7 million ($62.8 million equivalent) and the gain on disposal was $9.6 million during the nine months ended September 30, 2024.

Commencement of commercial operations

The comparability of our results of operations is influenced by the projects that become operational during a particular year. The number and size of these projects becoming operational may significantly impact our consolidated results of operations during a particular period, which makes the comparison between periods difficult.

The following table is a schedule of the project and the date the project achieved commercial operation that affect the comparability of any of the periods included in this Management's Discussion and Analysis:

Power Plant	Location	COD	MW
Austria Wind repowering	Austria	September 2022, January 2023 and January 2024	51.2
Bonaire	Bonaire	April and August 2023	20

- **Austria Wind repowering**: In September 2022, January 2023 and January 2024, the repowerings of Berg (gross capacity of 19.8 MW), Trautmannsdorf (gross capacity of 21.2 MW) and Scharndorf 1b (gross capacity of 10.2 MW), respectively, commenced commercial operations in our Austria Wind portfolio. The Austria Wind portfolio currently represents 3% of the total gross capacity of our portfolio as of September 30, 2024.

- **Bonaire**: In April 2023, the BESS project commenced commercial operations while the PV project commenced commercial operations in August 2023. The Bonaire portfolio currently represents 1% of the total gross capacity of our portfolio as of September 30, 2024.

Renewables Strategy

Following the appointment of our new Group Chief Executive Officer in February 2024, our strategy has evolved whereby we are targeting a significant level of future growth and portfolio distribution of renewable energy assets. We are transitioning our business towards renewable energy solutions with an emphasis on sustainable growth. We aim to become a leading renewable energy operator and to achieve a substantial reduction in carbon emissions across our portfolio.

The percentage of our revenue generated from renewables assets and thermal assets, respectively, was 21% and 79% for the year ended December 31, 2021, 16% and 84% for the year ended December 31, 2022, 18% and 82% for the year ended December 31, 2023 and 21% and 79% for the nine months ended September 30, 2024.

The percentage of our Adjusted EBITDA before Corporate and Other costs generated from renewable assets and thermal assets, respectively, was 38% and 62% for the year ended December 31, 2021, 36% and 64% for the year ended December 31, 2022, 35% and 65% for the year ended December 31, 2023 and 32% and 68% for the nine months ended September 30, 2024.

In December 2024, we completed the Colorado and Virginia PV Portfolio Acquisition, the Arizona PV and BESS Asset Acquisition and the Chilean PV and BESS Portfolio Acquisition, which advanced our strategy to further decarbonize our portfolio in OECD countries.

In light of our change in strategic focus, we expect to increase the percentage of revenue and Adjusted EBITDA that we generate from renewable assets, which may impact the comparability of our future financial results.

Results of Operations

Comparison of results for the nine months ended September 30, 2024 and 2023

	Nine months ended September 30,	
($ million)	2023	2024
Revenue	**1,693.4**	**1,311.5**
Cost of sales	(1,281.7)	(998.1)
Gross profit	**411.7**	**313.4**
Selling, general and administrative expenses	(21.6)	(25.5)
Other operating income	16.8	12.3
Other operating expenses	(3.3)	(23.8)
Impairment of assets	(70.1)	(73.4)
Acquisition, disposal and other transactions related items	(7.3)	(7.0)
Profit on acquisition / disposal of power generating plants	5.3	9.6
Income From Operations	**331.5**	**205.5**
Share of profit in associates	4.3	—
Finance income	21.7	24.1
Finance costs	(239.2)	(194.2)
Net foreign exchange (losses) and gains and change in fair value of derivatives	(63.8)	13.4
Profit before income tax	**54.5**	**48.8**
Income tax expenses	(63.4)	(43.7)
Net profit for the period	**(8.9)**	**5.2**

Revenue

Revenue decreased by $381.9 million, or 22.6%, to $1,311.5 million for the nine months ended September 30, 2024 from $1,693.4 million for the nine months ended September 30, 2023. This was primarily due to (i) a $362.1 million decrease in revenue at Maritsa due to the reduction in commercial operations following the Maritsa PPA expiry in February 2024, (ii) a $61.5 million decrease in revenue at Arrubal due to reduced power generation as a result of lower captured energy prices (average electricity price achieved by a project's technology throughout the period), (iii) a $35.2 million decrease in revenue at Spain CSP mainly due to the impact of regulatory changes and lower operating hours as a result of curtailments and low energy prices and (iv) a $30.9 million decrease in revenue from Brazil Wind as a result of the disposal of the business on June 30, 2024. This decrease was partially offset by (i) a $39.4 million increase in revenue at Sochagota mainly due to higher energy prices due to the El Niño weather phenomenon and a change in market strategy pursuant to which we secured a new PPA at higher prices and (ii) the consolidation of TermoemCali following the acquisition of an additional 24.9% interest in September 2023, resulting in a total controlling interest of 62% and $101.0 million increase in revenue (as 100% of the TermoemCali revenue is now consolidated in our results operations after the acquisition of the controlling stake), in conjunction with strong energy demand from Ecuador, which has resulted in increased generation and higher captured energy prices.

	Nine months ended September 30,			
Revenue by segment	**2023**		**2024**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Americas	618.0	36	722.5	55
Europe & Africa	1,075.5	64	589.0	45
Total Revenue	**1,693.4**	**100**	**1,311.5**	**100**

Our Americas segment contributed $722.5 million to revenue for the nine months ended September 30, 2024, an increase of $105.5 million, or 17%, from $618.0 million for the nine months ended September 30, 2023. This increase was primarily attributable to: (i) the acquisition of an additional 24.9% interest in TermoemCali, resulting in total controlling interest of 62%, in conjunction with strong energy demand from Ecuador and (ii) an increase in revenue at Sochagota, mainly attributable to higher energy prices due to the El Niño weather phenomenon and a change in market strategy where we secured a new PPA at higher prices. This increase was partially offset by (i) a lack of heat rate call option revenue at Redwood because such options were not renewed in 2024 and (ii) the disposal of the Brazil Wind business in June 2024.

Our Europe & Africa segment contributed $589.0 million to revenue for the nine months ended September 30, 2024, a decrease of $486.5 million, or 45%, from $1,075.5 million for the nine months ended September 30, 2023. This decrease was primarily attributable to: (i) a decrease in revenue of $362.1 million from our Maritsa plant due to the reduction in commercial operations following the PPA termination and our decision to repurpose two of the four units of our Maritsa site for renewable energy production (PV and BESS), (ii) a decrease in revenue of $61.5 million at Arrubal due to reduced power generation as a result of lower captured energy prices as a result of lower gas prices which form part of the daily price bids on ancillary markets and (iii) the impact of regulatory changes and lower operating hours as a result of curtailments and low energy price at Spain CSP resulting in a decrease in revenue of $35.2 million).

Cost of sales

Cost of sales decreased by $283.6 million, or 22%, to $998.1 million for the nine months ended September 30, 2024, from $1,281.7 million for the nine months ended September 30, 2023, mainly due to lower variable costs resulting from lower gas, coal and CO_2 costs during the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023. Cost of sales expense as a percentage of revenue were stable at 76% in the nine months ended September 30, 2023 and 2024.

Gross profit

Gross profit decreased by $98.3 million, or 24%, to $313.4 million for the nine months ended September 30, 2024, from $411.7 million for the nine months ended September 30, 2023. The decrease in gross profit was primarily driven by the expiration of the Maritsa PPA and the reduction in activity at Maritsa from February 2024, resulting in a decrease of $55.7 million, and a decrease of $22.9 million at Arrubal primarily due to a decrease in captured margin following lower power generation in the nine months ended September 30, 2024. This decrease was partially offset by the acquisition of an additional 24.9% interest in TermoemCali, which resulted in our control of the asset. TermoemCali contributed $38.7 million of gross profit for the nine months ended September 30, 2024 as compared to nil for the nine months ended September 30, 2023, as a result of its consolidation in our results of operations following the acquisition of a controlling stake.

Selling, general and administrative expense

Selling, general and administrative expense increased by $3.9 million, or 18%, to $25.5 million for the nine months ended September 30, 2024 from $21.6 million for the nine months ended September 30, 2023, mainly due to new management team members joining the business in order to support our change in strategy and enable business growth.

Other operating income

Other operating income decreased by $4.5 million, or 27%, to $12.3 million for the nine months ended September 30, 2024 from $16.8 million for the nine months ended September 30, 2023. This decrease was primarily due to a tariff adjustment associated with the impact of historical foreign exchange losses in Solutions Nigeria following the floating of the Nigerian naira in 2023.

Impairment of assets

Impairment of assets amounted to $73.4 million for the nine months ended September 30, 2024 and mainly related to impairment recognized on our Maritsa power plant of $70.6 million following the end of the PPA in early 2024 and reduction in commercial operations as part of a progressive transition out of coal.

Impairment of assets amounted to $70.1 million for the nine months ended September 30, 2023 and also resulted from the impairment recognized on our Maritsa power plant.

Acquisition, disposal and other transactions related items

Acquisition, disposal and other transactions related items remained largely stable at $7.0 million for the nine months ended September 30, 2024 compared to $7.3 million for the nine months ended September 30, 2023.

Profit on acquisition / disposal of power generating plants

Profit on acquisition / disposal of power generating plants increased by $4.3 million, or 81%, to $9.6 million in the nine months ended September 30, 2024 from $5.3 million in the nine months ended September 30, 2023. The increase mainly related to the gain on the disposal of Brazil Wind completed in June 2024. In the nine months ended September 30, 2023, profit on acquisition / disposal of power generating plants mainly related to the gain on acquisition of an additional 24.9% of TermoemCali.

Share of profit in associates

The share of profit in associates decreased by $4.3 million to nil for the nine months ended September 30, 2024, from $4.3 million for the nine months ended September 30, 2023. This decrease was due to the acquisition of an additional 24.9% shareholding in TermoemCali in September 2023, resulting in a controlling stake following which the business is no longer an associate.

Finance income

Finance income increased by $2.4 million, or 11%, to $24.1 million for the nine months ended September 30, 2024, from $21.7 million for the nine months ended September 30, 2023. Finance income primarily related to interest earned on cash and short-term investments, with the increase driven by the increase in interest rates during the year.

Finance costs

Finance costs decreased by $52.9 million, or 22%, to $194.2 million for the nine months ended September 30, 2024 from $239.2 million for the nine months ended September 30, 2023. This decrease was primarily attributable to the decrease in interest expenses resulting from the new borrowings under the Midco Senior Facilities Agreement in November 2023 and the repayment of the bridge financing incurred in connection with KKR's acquisition of ContourGlobal.

Net foreign exchange gains and change in fair value of derivatives

Net foreign exchange gains and losses and change in fair value of derivatives increased by $77.2 million, to a gain of $13.4 million for the nine months ended September 30, 2024 from a loss of $63.8 million for the nine months ended September 30, 2023. This increase was primarily due to the increase in fair value of the Mexico CHP fixed margin derivative in the nine months ended September 30, 2024 compared to a loss in the nine months ended September 30, 2023 and favorable impacts in net change in fair value of derivatives.

Income tax expenses

Income tax expenses decreased by $19.7 million to $43.7 million for the nine months ended September 30, 2024 from $63.4 million for the nine months ended September 30, 2023. The effective tax rate of the Group is impacted by the geographical composition of the profit before tax, tax losses arising on certain Group entities and financing costs on which no deferred tax asset is recognized. Profit before tax declined from $54.5 million as of September 30, 2023 to $48.9 million as of September 30, 2024. The Group rate is also impacted by tax-only adjustments relating to foreign exchange gains and losses and inflation.

Net profit for the period

As a result of the above factors, our results for the period amounted to a profit of $5.2 million for the nine months ended September 30, 2024 from a loss of $8.9 million for the nine months ended September 30, 2023.

Adjusted EBITDA

Adjusted EBITDA decreased by $86.9 million, or 13%, to $606.8 million for the nine months ended September 30, 2024 from $693.7 million for the nine months ended September 30, 2023, as a result of the above factors.

	Nine months ended September 30,			
Adjusted EBITDA by segment	**2023**		**2024**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Americas	270.2	38	333.6	53
Europe & Africa	441.1	62	293.6	47
Corporate and Other	(17.6)	N/A	(20.4)	N/A
Adjusted EBITDA	**693.7**	**100**	**606.8**	**100**
Adjusted EBITDA margin (in %)[(1)]	**—**	**41%**	**—**	**46%**

(1) Corresponds to Adjusted EBITDA as a percentage of revenue.

Americas Adjusted EBITDA increased by $63.4 million, or 23%, to $333.6 million for the nine months ended September 30, 2024 from $270.2 million for the nine months ended September 30, 2023. The increase in Americas Adjusted EBITDA was primarily attributed to:

- an increase of $42.5 million at Sochagota mainly due to higher energy prices due to the El Niño weather phenomenon and a change in market strategy where we secured a new PPA at higher prices;
- the consolidation of TermoemCali through the acquisition of an additional 24.9% interest in September 2023 that resulted in a controlling interest in the asset, which, in conjunction with strong energy demand from Ecuador which resulted in higher captured energy prices, resulted in a $38.8 million increase in Adjusted EBITDA;
- an increase of $16.0 million at Mexico CHP mainly due to increased production and lower gas prices;
- Peru Wind contributed to an increase of $7.7 million, primarily attributed to increased wind resources;
- partially offset by a decrease in Adjusted EBITDA of (i) $23.1 million from the deconsolidation of Brazil Wind following its sale in June 2024, (ii) $8.3 million from Brazil Solutions following the end of PPAs and (iii) $7.1 million at Redwood due to high heat rate call options from 2023 that were not renewed in the nine months ended September 30, 2024.

Europe & Africa Adjusted EBITDA decreased by $147.5 million, or 33%, to $293.6 million in the nine months ended September 30, 2024, from $441.1 million in the nine months ended September 30, 2023. Europe & Africa Adjusted EBITDA was impacted by:

- a decrease of $76.6 million at Maritsa due to the reduction in commercial operations following the PPA expiry in February 2024 as part of a progressive transitioning out of coal;
- a decrease of $35.4 million at Spain CSP primarily driven by lower operating hours as a result of curtailments and low energy prices and the negative impact of lower regulatory pool prices in 2023; and
- a decrease of $17.5 million at Arrubal due to reduced power generation due to lower captured energy prices, partially offset by lower gas prices and costs of purchased power.

The contribution to Adjusted EBITDA on a technology basis is as follows:

	Nine months ended September 30,			
Adjusted EBITDA by technology	**2023**		**2024**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Thermal Energy	442.5	62	425.1	68
Renewable Energy	268.8	38	202.1	32
Corporate and Other	(17.6)	N/A	(20.4)	N/A
Adjusted EBITDA	**693.7**	**100**	**606.8**	**100**
Adjusted EBITDA margin (in %)[(1)]	**—**	**41%**	**—**	**46%**

(1) Corresponds to Adjusted EBITDA as a percentage of revenue.

Comparison of results for the years ended December 31, 2023 and 2022

($ million)	Year ended December 31, 2022	Year ended December 31, 2023
Revenue	**2,828.3**	**2,362.9**
Cost of sales	(2,318.6)	(1,837.6)
Gross profit	**509.7**	**525.3**
Selling, general and administrative expenses	(38.0)	(29.1)
Other operating income	18.9	17.3
Other operating expenses	(3.4)	(16.0)
Impairment of assets	—	(70.1)
Acquisition, disposal and other transactions related items	(49.2)	(12.8)
Profit on acquisition / disposal of power generating plants	138.0	6.2
Income From Operations	**576.0**	**420.8**
Share of profit in associates	16.3	4.3
Finance income	12.0	30.7
Finance costs	(254.3)	(335.8)
Net foreign exchange gains and (losses) and change in fair value of derivatives	10.5	(93.9)
Profit before income tax	**360.5**	**26.1**
Income tax expenses	(107.0)	(79.3)
Net profit / (loss) for the period	**253.5**	**(53.2)**

Revenue

Revenue decreased by $465.4 million, or 16.5%, from $2,828.3 million for the year ended December 31, 2022 to $2,362.9 million for the year ended December 31, 2023. This is primarily due to (i) a $246.5 million decrease in revenue at Maritsa, primarily driven by lower generation as a result of lower dispatch and as a result of lower CO_2 production and associated emission cost recharges, (ii) a $204.5 million decrease in revenue at Arrubal as a result of reduced power generation due to lower captured energy prices resulting from lower gas prices which form part of the daily price bid on ancillary markets, (iii) a decrease of $104.7 million in revenue at Mexico CHP due to the decrease in gas prices resulting in lower gas pass-through revenue and (iv) the sale of our Brazil Hydro assets in 2022, which decreased revenue by $29.3 million for the year ended December 31, 2023. This decrease was partially offset by the acquisition of the remaining 51% interest in Sochagota which resulted in 100% ownership in December 2022 resulting in an increase in revenue of $117.7 million and the consolidation of TermoemCali through the acquisition of an additional 24.9% interest in September 2023, resulting in a controlling stake, which increased revenue by $74.1 million.

Revenue by Segment	Year ended December 31,			
	2022[(1)]		2023	
($ million, unless percentages otherwise indicated)		(% of total)		(% of total)
Americas	944.4	33	902.6	38
Europe & Africa	1,883.9	67	1,460.3	62
Total Revenue	**2,828.3**	**100**	**2,362.9**	**100**

(1) Represents restated segmental financial information presented in accordance with the presentation of segment reporting in our 2023 audited financial statements.

Our Americas segment contributed $902.6 million to revenue for the year ended December 31, 2023, a decrease of $41.8 million, or 4%, from $944.4 million for the year ended December 31, 2022. This decrease was primarily attributable to: (i) decrease in revenue at Mexico CHP due to a decrease in gas prices resulting in lower gas pass-through revenue, (ii) decrease in revenue at Borger due to lower gas prices, which as a result of the contractual calculation of revenue resulted in a decrease in energy and steam revenues in the year ended December 31, 2023 compared to December 31, 2022 and (iii) the sale of our Brazil Hydro assets in 2022. These decreases were partially offset by the acquisition of the remaining 51% interest in Sochagota which resulted in 100% ownership in December 2022 and an additional 24.9% interest in TermoemCali in September 2023 for a total interest of 62.3%, resulting in control of both businesses. Consequently, both businesses were consolidated from the dates of January 1, 2023 and October 1, 2023, respectively. Sochagota contributed $117.7 million of revenue for the year ended December 31, 2023 compared to nil for the year ended December 2022. TermoemCali contributed $74.1 million of revenue for the year ended December 31, 2023 compared to nil for the year ended December 31, 2022.

Our Europe & Africa segment contributed $1,460.3 million to revenue for the year ended December 31, 2023, a decrease of $423.6 million, or 22%, from $1,883.9 million for the year ended December 31, 2022. This decrease was primarily attributable to: (i) decrease in revenue of $246.5 million at Maritsa primarily driven by lower CO_2 emission cost recharges and lower dispatch and (ii) decrease in revenue of $204.5 million at Arrubal due to reduced power generation resulting from lower gas prices and energy prices.

Cost of sales

Cost of sales decreased by $481.0 million, or 21%, to $1,837.6 million for the year ended December 31, 2023, from $2,318.6 million for the year ended December 31, 2022 due to lower variable costs resulting from lower gas and CO_2 costs during the year. Cost of sales expense decreased as a percentage of revenue to 78% for the year ended December 31, 2023, from 82% for the year ended December 31, 2022.

Gross profit

Gross profit increased by $15.6 million, or 3%, to $525.3 million for the year ended December 31, 2023, from $509.7 million for the year ended December 31, 2022. The increase in gross profit was primarily driven by the acquisition of the remaining 51% interest in Sochagota which resulted in 100% ownership in December 2022 and $16.4 million in gross profit for the year ended December 31, 2023, and an additional 24.9% interest in TermoemCali in September 2023 resulting in a total interest of 62.3% and $26.9 million in gross profit for the year ended December 31, 2023, resulting in control of both businesses. This increase was partially offset by the sale of Brazil Hydro in June 2022, which decreased gross profit by $23.4 million in the year ended December 31, 2023.

Selling, general and administrative expense

Selling, general and administrative expense decreased by $8.9 million, or 23%, to $29.1 million for the year ended December 31, 2023 from $38.0 million for the year ended December 31, 2022, mainly due to lower employee costs, lower professional fees and the implementation of an overall cost savings plan after delisting.

Other operating income

Other operating income remained largely stable at $17.3 million for the year ended December 31, 2023 compared to $18.9 million for the year ended December 31, 2022.

Impairment of assets

Impairment of assets amounted to $70.1 million for the year ended December 31, 2023 and related to an impairment recognized on our Maritsa power plant relating to lower power forward curves indicating reduced commercial returns of the business beyond the end of the PPA in February 2024.

Acquisition, disposal and other transactions related items

Acquisition, disposal and other transactions related items decreased by $36.4 million, or 74%, to $12.8 million in the year ended December 31, 2023 from $49.2 million in the year ended December 31, 2022. The decrease was primarily due to transaction related costs of $39.9 million corresponding to the bridge financing in connection with KKR's acquisition of ContourGlobal and delisting costs in the year ended December 31, 2022.

Profit on acquisition / disposal of power generating plants

Profit on acquisition / disposal of power generating plants decreased by $131.8 million, or 95.5%, to $6.2 million in the year ended December 31, 2023 from $138.0 million in the year ended December 31, 2022, primarily related to the $121.2 million gain on the sale of Brazil Hydro during the year ended December 31, 2022.

Share of profit in associates

The share of profit in associates decreased by $12.0 million to $4.3 million for the year ended December 31, 2023, from $16.3 million for the year ended December 31, 2022. This decrease was due to the acquisition of the remaining 51% interest in Sochagota which resulted in 100% ownership in December 2022 and an additional 24.9% interest in TermoemCali for a total interest of 62.3%, resulting in control of both businesses.

Finance income

Finance income increased by $18.7 million, or 156%, to $30.7 million for the year ended December 31, 2023, from $12.0 million for the year ended December 31, 2022. Finance income primarily related to interest earned on cash and short-term investments, with the increase primarily driven by the increase in interest rates during the year.

Finance costs

Finance costs increased by $81.5 million, or 32%, to $335.8 million for the year ended December 31, 2023 from $254.3 million for the year ended December 31, 2022. This increase was primarily attributable to interest expenses on the bridge and acquisition loans in connection with KKR's acquisition of ContourGlobal and an increase in financing and refinancing costs due to higher interest rates.

Net foreign exchange gains and (losses) and change in fair value of derivatives

Net foreign exchange gains and losses and change in fair value of derivatives decreased by $104.4 million to a loss of $93.9 million for the year ended December 31, 2023 from a gain of $10.5 million for the year ended December 31, 2022. This decrease was primarily due to the reduction in fair value of $65.8 million of the Mexico CHP fixed margin derivatives in the year ended December 31, 2023 compared to a loss of $16.1 million in the year ended December 31, 2022 (Mexico CHP swap contracts exchange floating CFE tariff in local currency to a fixed USD margin – the swap fair value was heavily positive in 2022 due to volatility and high gas prices, which reversed in 2023) and an unfavorable impact in net foreign exchanges resulting in $47.6 million of losses in the year ended December 31, 2023 compared to a gain of $22.3 million in the year ended December 31, 2022.

Income tax expenses

Income tax expenses decreased by $27.7 million, or 26%, to $79.3 million for the year ended December 31, 2023 from $107.0 million for the year ended December 31, 2022. This decrease was primarily related to $29.1 million of withholding tax incurred on the Brazil Hydro sale during the year ended December 31, 2022.

Net profit / (loss) for the period

As a result of the above factors, the result for the period amounted to a loss of $53.2 million for the year ended December 31, 2023 from a profit of $253.5 million for the year ended December 31, 2022. In 2023, the net loss position was heavily impacted by the non-cash impairment of $70.1 million on the Maritsa asset, an increase of $81.5 million in finance costs and the change in fair value of the CHP Mexico fixed margin liability of $46.1 million.

Adjusted EBITDA

Adjusted EBITDA increased by $18.1 million or 2%, to $918.6 million for the year ended December 31, 2023 from $900.5 million for the year ended December 31, 2022.

	Year ended December 31,			
Adjusted EBITDA by segment	**2022[1]**		**2023**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Americas	399.6	43	388.1	41
Europe & Africa	532.8	57	551.9	59
Corporate and Other	(31.9)	N/A	(21.3)	N/A
Adjusted EBITDA	**900.5**	**100**	**918.6**	**100**
Adjusted EBITDA margin (in %)[2]	**—**	**32%**	**—**	**39%**

(1) Represents restated segmental financial information presented in accordance with the presentation of segment reporting in our 2023 audited financial statements.

(2) Corresponds to Adjusted EBITDA as a percentage of revenue.

Americas Adjusted EBITDA decreased by $11.5 million, or 3%, to $388.1 million for the year ended December 31, 2023 from $399.6 million for the year ended December 31, 2022. The decrease in Americas Adjusted EBITDA was primarily attributed to:

- the sale of our Brazil Hydro business in June 2022, accounting for $21.6 million of Adjusted EBITDA during the year ended December 31, 2022;
- a decrease of $9.6 million in Mexico CHP mainly due to major maintenance during the year;
- a decrease of $4.6 million driven by reduced wind resources in Peru Wind due to the impact of the El Niño weather phenomenon in the first half of 2023;
- partially offset by TermoemCali with higher dispatch due to the El Niño weather phenomenon increasing energy demand in Ecuador, increasing Adjusted EBITDA by $25.5 million subsequent to the completion of an acquisition of an additional stake in Termoemcali in September 2023.

Europe & Africa Adjusted EBITDA increased by $19.1 million to $551.9 million for the year ended December 31, 2023, from $532.8 million for the year ended December 31, 2022. Europe & Africa Adjusted EBITDA was impacted by:

- a $16.9 million positive impact at Spain CSP primarily due to movements in power pricing and change in regulation;
- a $4.5 million positive impact in Austria Wind mainly due to improved performance following completion of wind park repowering projects and higher wind resources, partially offset by the impact of windfall taxes, higher grid fees and increased operating costs;
- a $4.4 million positive impact in Italy Solar mainly due to the removal of the price cap mechanism in June 2023, partially offset by lower solar resources;
- partially offset by negative impact at Arrubal of $13.2 million mainly due to extraordinary margins captured in 2022 when gas prices were high.

The contribution to Adjusted EBITDA on a technology basis is as follows:

	Year ended December 31,			
Adjusted EBITDA by technology	**2022**		**2023**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Thermal Energy	599.8	64	612.5	65
Renewable Energy	332.6	36	327.4	35
Corporate and Other	(31.9)	N/A	(21.3)	N/A
Adjusted EBITDA	**900.5**	**100**	**918.6**	**100**
Adjusted EBITDA margin (in %)[1]	—	**32%**	—	**39%**

(1) Corresponds to Adjusted EBITDA as a percentage of revenue.

Comparison of results for the years ended December 31, 2022 and 2021

($ million)	Year ended December 31, 2021	2022
Revenue	**2,151.9**	**2,828.3**
Cost of sales	(1,730.5)	(2,318.6)
Gross profit	**421.4**	**509.7**
Selling, general and administrative expenses	(40.5)	(38.0)
Other operating income	6.8	18.9
Other operating expenses	(3.4)	(3.4)
Acquisition, disposal and other transactions related items	(14.2)	(49.2)
Profit on acquisition / disposal of power generating plants	—	138.0
Income From Operations	**370.1**	**576.0**
Other income	5.8	—
Share of profit in associates	16.2	16.3
Finance income	3.9	12.0
Finance costs	(296.8)	(254.3)
Net foreign exchange gains and change in fair value of derivatives	43.7	10.5
Profit before income tax	**142.9**	**360.5**
Income tax expenses	(63.2)	(107.0)
Net profit for the period	**79.7**	**253.5**

Revenue

Revenue increased by $676.4 million, or 31.4%, to $2,828.3 million for the year ended December 31, 2022 from $2,151.9 million for the year ended December 31, 2021, primarily due to (i) increased revenue from our Maritsa plant of $203.2 million primarily driven by higher CO_2 emission cost recharges and increased power generation, (ii) Arrubal benefiting from high dispatch and higher margins from merchant operations due to the volatility of energy markets, higher power prices and an optimized commercial strategy in the post-PPA period from August 2021 resulting in increased revenue of $204.9 million, (iii) the full-year impact of the acquisition of the Western Generation assets, which were acquired in February 2021 which contributed $120.6 million to revenue, (iv) Mexico CHP increasing revenue by $98.3 million due to new interconnected load points, higher gas pass through, increased customer connections and higher customer consumption, (v) Austria Wind positively impacting revenue by $14.1 million due to higher electricity prices and (vi) Cap des Biches contributing $8.1 million on account of higher fuel pass-through revenue. These increases were partially offset by the sale of our Brazil Hydro assets in mid-2022 reducing revenue in 2022 by $22.1 million.

Revenue by segment	Year ended December 31, 2021[1]		2022[1]	
($ million, unless percentages otherwise indicated)		(% of total)		(% of total)
Americas	713.5	33	944.4	33
Europe & Africa	1,438.5	67	1,883.9	67
Total Revenue	**2,151.9**	**100**	**2,828.3**	**100**

(1) Represents restated segmental financial information presented in accordance with the presentation of segment reporting in our 2023 audited financial statements.

Our Americas revenue contributed $944.4 million to revenue for the year ended December 31, 2022, an increase of $230.9 million, or 32%, from $713.5 million for the year ended December 31, 2021. This increase was primarily attributable to the full-year impact of Western Generation assets which were acquired in February 2021 and new interconnected loan points and high gas pass-through in Mexico CHP, partially offset by the sale of our Brazil Hydro assets in mid-2022.

Our Europe & Africa revenue contributed $1,883.9 million to revenue for the year ended December 31, 2022, an increase of $445.4 million, or 31%, from $1,438.5 million for the year ended December 31, 2021. This increase was primarily attributable to an increase in revenue of $203.2 million at Maritsa primarily driven by higher CO_2 emission cost recharges and increased power generation, an increase in revenue of $204.9 million at Arrubal due to high dispatch and higher margins from merchant operations due to the volatility of energy markets after the expiration of the PPA, an increase in revenue of $14.1 million at Austria Wind due to higher electricity prices and an increase in revenue of $8.1 million at Cap de Biches primarily driven by higher fuel pass-through revenue for the year ended December 31, 2022.

Cost of sales

Cost of sales increased by $588.1 million, or 34%, to $2,318.6 million for the year ended December 31, 2022 from $1,730.5 million for the year ended December 31, 2021. This increase was primarily due to the increase in fuel and CO_2 emission costs from the year ended December 31, 2021 to the year ended December 31, 2022. Cost of sales expense increased as a percentage of revenue to 82% for the year ended December 31, 2022 from 80% for the year ended December 31, 2021.

Gross profit

Gross profit increased by $88.3 million, or 21%, to $509.7 million, for the year ended December 31, 2022 from $421.4 million for the year ended December 31, 2021. The increase in gross profit was primarily driven by the strong performance of our merchant plants (Arrubal and Redwood assets), with Arrubal achieving higher margins from merchant operations due to the volatility of energy markets as compared to operating under PPA for seven months of the prior year, high gas prices which resulted in higher heat rate adjustments from our assets under PPA and inflation increases in PPA tariffs in excess of inflationary impact on operating costs.

Selling, general and administrative expense

Selling, general and administrative expense decreased by $2.5 million, or 6%, to $38.0 million for the year ended December 31, 2022 from $40.5 million for the year ended December 31, 2021, mainly due to lower professional fees and lower travel costs.

Other operating income

Other operating income increased by $12.1 million to $18.9 million for the year ended December 31, 2022 from $6.8 million for the year ended December 31, 2021. This increase was primarily due to the settlement of a dispute to compensate the Brazilian wind farms for the underperformance of the wind turbines.

Acquisition, disposal and other transactions related items

Acquisition, disposal and other transactions related items increased by $35.0 million, or 246%, to $49.2 million in the year ended December 31, 2022 from $14.2 million in the year ended December 31, 2021.

The increase was primarily due to transaction-related costs corresponding to KKR's acquisition of ContourGlobal and delisting.

Profit on acquisition / disposal of power generating plants

Profit on acquisition / disposal of power generating plants amounted to $138.0 million in the year ended December 31, 2022 mostly related to the $121.2 million gain on the sale of Brazil Hydro completed in June 2022.

Share of profit in associates

The share of profit in associates increased by $0.1 million to $16.3 million for the year ended December 31, 2022 from $16.2 million for the year ended December 31, 2021. This corresponds to the Group's share of profits in Sochagota and TermoemCali.

Finance income

Finance income increased by $8.1 million, or 208%, to $12.0 million for the year ended December 31, 2022 from $3.9 million for the year ended December 31, 2021. Finance income primarily related to an increase in interest from short-term investments in particular at the corporate level and in Brazil due to higher interest rates.

Finance costs

Finance costs decreased by $42.5 million, or 14%, to $254.3 million for the year ended December 31, 2022 from $296.8 million for the year ended December 31, 2021. This decrease was primarily attributable to a decrease in interest expense due to principal repayments of borrowings, decrease in amortization of deferred financing costs and decrease in financing and refinancing costs.

Net foreign exchange gains and change in fair value of derivatives

Net foreign exchange gains and losses and change in fair value of derivatives decreased by $33.2 million, or 76%, to $10.5 million for the year ended December 31, 2022 from $43.7 million for the year ended December 31, 2021. This decrease was primarily due to the reduction in fair value of the Mexico CHP fixed margin derivative.

Income tax expenses

Income tax expenses increased by $43.8 million to $107.0 million for the year ended December 31, 2022 from $63.2 million for the year ended December 31, 2021. This increase was primarily related to $29.1 million of withholding tax incurred on the Brazil Hydro sale and the increase of pre-tax profits in Armenia and Spain.

Net profit for the period

As a result of the above factors, our results for the period amounted to a profit of $253.5 million for the year ended December 31, 2022 from $79.7 million for the year ended December 31, 2021.

Adjusted EBITDA

Adjusted EBITDA increased by $59.0 million, or 7%, to $900.5 million for the year ended December 31, 2022 from $841.5 million for the year ended December 31, 2021.

Revenue by segment	**Year ended December 31, 2021[1]**		**2022[1]**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Americas	357.6	41	399.6	43
Europe & Africa	518.4	59	532.8	57
Corporate and Other	(34.5)	N/A	(31.9)	N/A
Adjusted EBITDA	**841.5**	**100**	**900.5**	**100**
Adjusted EBITDA margin (in %)[2]	—	**39%**	—	**32%**

(1) Represents restated segmental financial information presented in accordance with the presentation of segment reporting in our 2023 audited financial statements.

(2) Corresponds to Adjusted EBITDA as a percentage of revenue.

Americas Adjusted EBITDA increased by $42.0 million, or 12%, to $399.6 million from $357.6 million in the previous period. The increase in Americas Adjusted EBITDA was primarily attributed to:

- an increase of $28.5 million as a result of the full year ended December 31, 2022 impact of the acquisition of the Western Generation assets in February 2021;
- Mexico CHP with increased customer connections and higher customer consumption ($18.7 million);
- Peru Wind due to increased wind resource and indexation of PPA price ($8.0 million);
- partially offset by sale of our Brazilian Hydro business in the year ended December 31, 2022 ($20.2 million).

Europe & Africa Adjusted EBITDA increased by $14.9 million, or 3%, to $532.8 million in the year ended December 31, 2022, from $518.4 million in the year ended December 31, 2021. Europe & Africa Adjusted EBITDA was impacted by:

- strong commercial performance at Arrubal with an increase of $15.2 million, primarily attributed to higher margin from merchant operations during the year ended December 31, 2022; and
- Austria Wind increase of $12.4 million mainly due to improved performance, following the wind park repowering project completion and higher regulatory pool prices, partially offset by lower wind resources during the year ended December 31, 2022.

The contribution to Adjusted EBITDA on a technology basis is as follows:

Adjusted EBITDA by technology	**Year ended December 31, 2021**		**2022**	
($ million, unless percentages otherwise indicated)		**(% of total)**		**(% of total)**
Thermal Energy	541.3	62	599.8	64
Renewable Energy	334.7	38	332.6	36
Corporate and Other	(34.5)	N/A	(31.9)	N/A
Adjusted EBITDA	**841.5**	**100**	**900.5**	**100**
Adjusted EBITDA margin (in %)[2]	—	**39%**	—	**32%**

(1) Corresponds to Adjusted EBITDA as a percentage of revenue.

Liquidity and Capital Resources

Overview

As of September 30, 2024, cash and cash equivalents totaled $665.1 million (including $14.6 million of debt service reserve and other restricted accounts). A significant portion of cash and cash equivalents is held by our subsidiaries ($264.0 million), some of which have legal or contractual restrictions on their ability to pay dividends or otherwise distribute cash. Historically, however, we have not experienced material issues remitting funds from foreign jurisdictions as a result of transfer restrictions. As of September 30, 2024, the vast majority of Group cash was remunerated and/or invested at market rates. We utilize a combination of equity and debt financing at the project level as well as Company-level debt financing to fund our cash needs and the growth of the business. For example, we continuously evaluate opportunistic capital markets raises or project/acquisition financing opportunities to fund potential acquisitions or greenfield development projects and conduct refinancings when advantageous. Our debt financing comes from a variety of sources, including international development banks, commercial banks and institutional investors. The incurrence of additional indebtedness is restricted by a debt service coverage ratio and a non-guarantor combined leverage ratio under certain debt instruments of the Group. The debt service coverage ratio is measured as cash flow available for debt service to debt service of CG Power and guarantors of CG Power's existing notes outstanding (the "Existing Notes Group"). The debt service coverage ratio of the Existing Notes Group was 11.6x for the twelve months ended September 30, 2024. The non-guarantor combined leverage ratio is measured as proportionate total indebtedness of all non-guarantor restricted subsidiaries (excluding proportionate total indebtedness of any project finance subsidiary, as described in the documentation for our existing notes ("Project Finance Subsidiaries")) (net of cash and cash equivalents held in debt service reserve or similar accounts) to proportionate Adjusted EBITDA of ContourGlobal Limited (excluding the Adjusted EBITDA of any Project Finance Subsidiary). In the periods under review, cash flows available to service debt of the Existing Notes Group have been a multiple of the amount of cash required to service indebtedness of the Existing Notes Group. The non-guarantor combined leverage ratio increased in the twelve months ended September 30, 2024 to 4.0x from 2.7x in the twelve months ended September 30, 2023 due to the refinancing of the KKR acquisition bridge loans with certain debt facilities availed by Midco. We believe that our liquidity and cash flows are sufficient to meet requirements and commitments for the foreseeable future.

Our principal liquidity and capital requirements consist of:

- capital expenditures relating to existing plants and new acquisitions;
- development of new renewable business projects;
- acquisitions to expand our existing portfolio of power projects;
- debt service requirements on existing and future debt; and
- costs and expenses relating to operations.

We also expect our ongoing sources of liquidity to include cash and cash equivalents, net cash generated from operating activities and borrowings under new financing arrangements as appropriate, subject to market conditions. Subject to the covenants contained in the agreements governing our existing indebtedness, we may also, from time to time, seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for debt in open market purchases, privately negotiated transactions, tender offers or otherwise. Such purchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. We expect that these sources of funds will be adequate to provide for our short-term and long-term liquidity needs. However, our ability to meet our debt service obligations and other capital requirements, including capital expenditures, as well as make acquisitions, will depend on our future operating performance which, in turn, will be subject to general economic, financial, business, competitive, legislative, regulatory and other conditions, many of which are beyond our control.

Capital Resources

The following table sets forth our summary consolidated cash flow data for the nine months ended September 30, 2024 and 2023.

	Nine months ended September 30,	
	2023	**2024**
($ million)		
Net cash generated from operating activities	583.3	420.8
Net cash used in investing activities	(85.9)	(7.8)
Net cash used in financing activities	(392.9)	(352.1)
Exchange losses on cash and cash equivalents	(8.7)	(15.4)
Net change in cash and cash equivalents	**95.8**	**45.8**
Cash and cash equivalents at the beginning of the period	509.6	619.4
Included in cash and cash equivalents in the balance sheet	509.6	538.2
Included in assets held sale	—	81.2
Cash and cash equivalents at the end of the period	**605.4**	**665.1**
Included in cash and cash equivalents in the balance sheet	605.4	665.1
Included in assets held sale	—	—

Net cash flows from operating activities

For the nine months ended September 30, 2024, net cash generated from operating activities was $420.8 million, a decrease of $162.5 million, compared to $583.3 million generated from operating activities in the nine months ended September 30, 2023. This decrease mainly resulted from the decrease in Adjusted EBITDA of $86.9 million, an increase in income tax paid of $6.7 million and an unfavorable change in working capital of $92.0 million in the nine months ended September 30, 2024 compared to a decrease of $40.4 million in the nine months ended September 30, 2023. The unfavorable change in working capital movement in the nine months ended September 30, 2024 was primarily attributed to Spain CSP power price decreases below the regulatory price and increases in working capital positions in Peru and Arrubal (temporary changes due to increase in activity).

Net cash flows used in investing activities

For the nine months ended September 30, 2024, net cash flows used in investing activities amounted to a net outflow of $7.8 million, compared to a net outflow of $85.9 million in the nine months ended September 30, 2023.

For the nine months ended September 30, 2024, net cash flows used in investing activities primarily related to cash outflows of $102.7 million related to purchase of property, plant and equipment, mainly related to (i) development and renovation projects for Italy Solar totaling $24.1 million, (ii) U.S. assets-related outflow of $17.0 million mainly relating to payments under the Hobbs long-term service agreement ("LTSA"), (iii) maintenance capital expenditure in Brazil Wind of $12.6 million and (iv) Arrubal major maintenance of $10.7 million. This outflow was partially offset by (i) $36.2 million of other investing cash received, mainly from interest income and the settlement of the Kosovo historical legal dispute, contributing $20.9 million and (ii) cash received on the disposal of Brazil Wind of $62.7 million.

For the nine months ended September 30, 2023, net cash flows used in investing activities primarily related to cash outflows of $95.6 million related to purchase of property, plant and equipment, mainly related to (i) Arrubal major maintenance of $18.3 million, (ii) a total of $9.0 million for Austria Wind repowering, (iii) Bonaire PV and BESS projects totaling $7.9 million, (iv) Hobbs and Borger LTSA payments of $9.4 million and (v) $13.1 million in maintenance capital expenditure mainly in Brazil Wind. This was partially offset by $22.3 million of other investing cash received, primarily from interest income.

Net cash flows used in financing activities

For the nine months ended September 30, 2024, net cash flows used in financing activities amounted to a net outflow of $352.0 million compared to a net outflow of $392.9 million in the nine months ended September 30, 2023.

In the nine months ended September 30, 2024, cash flows generated from financing activities consisted of proceeds from new borrowings of $605.4 million mainly related to (i) the refinancing of Mexico CHP debt amounting to $440.0 million, (ii) $74.5 million of new loans for the Colombian assets, (iii) the Midco Facilities of $54.4 million and (iv) the Italy Solar refinancing of $32.3 million, offset by (i) repayment of borrowings of $740.4 million which primarily corresponded to scheduled repayments on existing debt of $210.1 million, $381.9 million repayment of the Mexico CHP refinanced debt and RCF repayments of $135.9 million; (ii) interest paid in the period of $126.4 million; (iii) $20.4 million relating to transactions with non-controlling interest holders, which mainly included distributions to the minority partner from Italy Solar and Spain CSP; (iv) $15.4 million relating to dividends paid to non-controlling interests, which mainly included a dividend paid to the TermoemCali minority partner and (v) $37.0 million for other financing activities which related to various financing costs and the impact of realized foreign exchange differences.

In the nine months ended September 30, 2023, cash flows generated from financing activities consisted of inflows from proceeds from new borrowings of $460.1 million mainly related to the KKR acquisition bridge facility agreement ($428.9 million) and new borrowings of $11.6 million for Sochagota in September 2023, offset by (i) repayment of borrowings of $590.8 million which primarily corresponded to scheduled repayments on existing debt of $157.5 million and the repayment of the 2025 corporate bond of $433.3 million; (ii) interest paid in the period of $170.4 million; (iii) $20.0 million of cash distributions to non-controlling interests; (iv) $24.5 million of transactions with non-controlling interest holders, which mainly included distributions to minority partners from Italy Solar and Spain CSP and (v) $39.0 million for other financing activities.

The following table sets forth our summary consolidated cash flow data for the years ended December 31, 2023 and 2022.

	Year ended December 31,	
	2022	**2023**
($ million)		
Net cash generated from operating activities	785.0	749.6
Net cash used in investing activities	(16.5)	(128.7)
Net cash used in financing activities	(686.0)	(536.8)
Exchange gains on cash and cash equivalents	45.6	25.7
Net change in cash and cash equivalents	**128.1**	**109.8**
Cash and cash equivalents at the beginning of the period	381.5	509.6
Included in cash and cash equivalents in the balance sheet	369.1	509.6

Included in assets held sale	12.4	—
Cash and cash equivalents at the end of the period	509.6	619.4
Included in cash and cash equivalents in the balance sheet	509.6	538.2
Included in assets held sale	—	81.2

Net cash flows from operating activities

For the year ended December 31, 2023, net cash generated from operating activities was $749.6 million, a decrease of $35.4 million, compared to $785.0 million generated from operating activities in the year ended December 31, 2022. This decrease mainly resulted from a $58.1 million decrease in change in working capital for the year ended December 31, 2023 as compared to $49.0 million in the year ended December 31, 2022 mainly attributed to Spain CSP with power price decreases below the regulatory price for the year ended December 31, 2023 compared to the opposite impact for the year ended December 31, 2022 resulting in a decrease of $86.1 million and TermoemCali due to significant cash generation at the end of 2023 with receivables settled at the beginning of 2024 amounting to $35.3 million. This was partially offset by the increase in Adjusted EBITDA of $18.1 million in the year ended December 31, 2023 compared to the year ended December 31, 2022 and the decrease in acquisition, disposal and other transactions related items of $12.8 million for the year ended December 31, 2023 compared to $49.2 million for the year ended December 31, 2022.

Net cash flows used in investing activities

For the year ended December 31, 2023, net cash flows used in investing activities amounted to $128.7 million, compared to $16.5 million used in the year ended December 31, 2022.

For the year ended December 31, 2023, net cash flows used in investing activities primarily related to cash outflows of $145.1 million related to purchase of property, plant and equipment, mainly related to Austria Wind repowering of $23.0 million, the Arrubal major overhaul of one of the two units amounting to $22.1 million, Mexico CHP major maintenance and LTSA payment of $25.3 million, Hobbs and Borger with LTSA payments of $11.5 million and maintenance capital expenditure in Brazil Wind of $16.2 million. This was partially offset by an increase in other investing cash inflows of $37.7 million, primarily attributable to returns on higher cash balances and higher interest rates during the period.

Net cash flows used in financing activities

For the year ended December 31, 2023, net cash flows used in financing activities was a net outflow of $536.8 million compared to a net outflow of $686.0 million used in the year ended December 31, 2022.

In the year ended December 31, 2023, cash flows from financing activities consisted of inflows from proceeds from new borrowings of $1,733.8 million mainly related to debt facilities of Midco of $1,000.5 million completed in November 2023, the KKR bridge facility of $428.9 million and the Italy Solar refinancing of $202.7 million, offset by (i) repayment of borrowings of $1,871.2 million which primarily corresponded to scheduled repayments on existing debt of $240.2 million, repayment of the 2025 corporate bond in February of $432.6 million, repayment of Italy Solar former debt of $198.4 million and the repayment of the KKR acquisition bridge facilities with the proceeds of the Midco Facilities of $1,000.0 million; (ii) interest paid in the period of $241.2 million; (iii) $21.8 million of cash distributions to non-controlling interests; (iv) $43.0 million of transactions with non-controlling interest holders, which mainly included distributions to our minority partners in Spain CSP and (v) $42.0 million for other financing activities which mainly included new financing and refinancing costs, letters of credits and commitments fees and realized foreign exchange losses.

The following table sets forth our summary consolidated cash flow data for the years ended December 31, 2022 and 2021.

	Year ended December 31,	
	2021	**2022**
($ million)		
Net cash generated from operating activities	810.3	785.0
Net cash used in investing activities	(777.7)	(16.5)
Net cash used in financing activities	(990.5)	(686.0)
Exchange (losses)/gains on cash and cash equivalents	(57.6)	45.6
Net change in cash and cash equivalents	**(1,015.4)**	**128.1**
Cash and cash equivalents at the beginning of the period	1,396.9	381.5
Included in cash and cash equivalents in the balance sheet	1,396.9	369.1
Included in assets held sale	—	12.4
Cash and cash equivalents at the end of the period	381.5	509.6
Included in cash and cash equivalents in the balance sheet	369.1	509.6
Included in assets held sale	12.4	—

Net cash flows from operating activities

For the year ended December 31, 2022, net cash generated from operating activities was $785.0 million, a decrease of $25.3 million, compared to $810.3 million generated from operating activities in the year ended December 31, 2021. This decrease mainly resulted from (i) $24.4 million increase in income tax paid primarily attributed to the increase of taxable profits at Arrubal and (ii) $39.9 million of transaction costs incurred in connection with KKR's acquisition of ContourGlobal, partially offset by the increase in Adjusted EBITDA of $59.0 million for the year ended December 31, 2022 compared to the year ended December 31, 2021.

Net cash flows used in investing activities

For the year ended December 31, 2022, net cash flows used in investing activities amounted to $16.5 million, compared to $777.7 million used in the year ended December 31, 2021.

For the year ended December 31, 2022, net cash flows used in investing activities primarily related to cash outflows of $129.3 million related to purchase of property, plant and equipment, mainly related to the repowering of our Austria Wind sites, the turbine upgrades in Brazil Wind, the major maintenance in Spain CSP and the upgrades in Vorotan. This was partially offset by the $125.9 million cash received from the sale of the Brazil Hydro assets.

For the year ended December 31, 2021, net cash flows used in investing activities primarily related to (i) the acquisition of the Western Generation in February 2021 ($626.7 million net of cash received), and the acquisition of Green Hunter in November 2021 ($27.9 million net of cash received) and (ii) purchases of property, plant and equipment of $104.4 million mainly related to the repowering of our Austria wind sites, the refurbishment in Vorotan and the water treatment project and regular maintenance capital expenditure in Maritsa.

Net cash flows used in financing activities

For the year ended December 31, 2022, net cash flows used in financing activities was a net outflow of $686.0 million compared to a net outflow of $990.5 million in the year ended December 31, 2021.

In the year ended December 31, 2022, cash flows generated from financing activities consisted of inflows from proceeds from new borrowings of $396.4 million mainly related to the refinancing of debt at the Hobbs asset for $313.5 million, the refinancing of loans relating to Austrian and Slovakian assets for $52.3 million, offset by (i) repayment of borrowings of $565.6 million which primarily corresponded to scheduled repayments on existing debt of $275.3 million, repayment of outstanding debt at Hobbs in June 2022 in the amount of $189.0 million, full prepayment of Maritsa project debt and repayment in full of borrowings under the RCF; (ii) interest paid in the period of $172.9 million; (iii) $16.6 million of cash distributions to non-controlling interests; (iv) $126.1 million in dividends paid to shareholders of ContourGlobal plc; (v) $102.0 million transactions with non-controlling interest holders, which mainly included distributions to minority partner from Italy Solar and Spain CSP and cash paid to the International Finance Corporation in relation to the acquisition of the remaining 20% shareholding in Togo and (vi) $69.5 million for other financing activities which included various financing costs including a make-whole payment on the Hobbs refinancing.

In the year ended December 31, 2021, cash flows generated from financing activities consisted of (i) inflows from proceeds from new borrowings of $790.7 million represented primarily by the refinancing of debt at CSP Alvarado of $180.2 million, the Western Generation acquisition bridge loan of $175.0 million, Caribbean asset refinancing of $120.0 million, an issuance of debentures by Asa Branca of $60.8 million, Brazil Hydro refinancing of $116.1 million, Italy Solar Green Hunter refinancing of $47.1 million and a drawdown of $47.3 million under the RCF and (ii) transactions with non-controlling interest holders, $17.5 million of cash received mainly related to the cash received from EIP related to the Green Hunter acquisition, offset by (a) repayment of borrowings of $1,304.2 million which mainly corresponded to scheduled repayments on existing debt of $287.7 million, repayment of outstanding debt on the 2023 corporate bond in January 2021 of $532.5 million, Spain CSP debt repayment in the amount of $154.7 million, Western Generation acquisition bridge loan repayment of $135.0 million, Asa Branca debt repayment of $56.4 million, Brazil Hydro debt repayment of $64.2 million and the Arrubal debt principal repayment of $73.7 million; (b) interest paid in the period of $192.9 million; (c) $19.3 million of cash distributions to non-controlling interests and $79.2 million transactions with non-controlling interest holders, which mainly included distributions to minority partners from Italy Solar and Spain CSP; (d) $114.5 million in dividends paid to shareholders of ContourGlobal plc; and (e) $51.0 million for other financing activities, including various financing costs.

Capital Expenditures

	Year ended December 31,			Nine months ended September 30,	
Capital expenditures by segment	**2021[1]**	**2022[1]**	**2023**	**2023**	**2024**
($ million)					
Americas	39.7	48.5	69.0	49.3	47.6
Europe & Africa	61.3	80.0	73.7	44.9	52.7
Corporate & Other	3.4	0.8	2.4	1.4	2.4
Total capital expenditures	**104.4**	**129.3**	**145.1**	**95.6**	**102.7**

(1) Represents restated segmental financial information presented in accordance with the presentation of segment reporting in our 2023 audited financial statements.

Capital expenditure was $102.7 million and $95.6 million for the nine months ended September 30, 2024 and 2023, respectively. Capital expenditures related to assets in the Europe & Africa segment accounted for 51% and 47% of capital expenditure in the nine months ended September 30, 2024 and 2023, respectively. For the Europe & Africa segment, these capital expenditures were primarily related to the Italy Solar revamping and repowering, the Arrubal plant major maintenance and the Austria Wind repowering for the nine months ended September 30, 2024 and the Arrubal plant major maintenance, the Austria Wind repowering and the Vorotan refurbishment for the nine months ended September 30, 2023. For the Americas segment, the capital expenditures related primarily to maintenance capital expenditure for our U.S. plants and Brazil Wind for the nine months ended September 30, 2024, and in our Hobbs LTSA, Bonaire PV and BESS project and maintenance capital expenditures in Brazil Wind for the nine months ended September 30, 2023.

Capital expenditure was $145.1 million for the year ended December 31, 2023. Maintenance capital expenditure was approximately $107 million and growth capital expenditure was approximately $39 million for the year ended December 31, 2023. Capital expenditure related to property, plant and equipment in the Europe & Africa segment accounted for 51% of capital expenditure in the year ended December 31, 2023. Capital expenditures related to property, plant and equipment included in the Europe & Africa segment (primarily Austria Wind repowering and in our Arrubal plant) and to property, plant and equipment included in the Americas segment (primarily in our Mexico CHP and Brazil Wind maintenance capital expenditure).

Capital expenditure was $129.3 million for the year ended December 31, 2022. Maintenance capital expenditure was approximately $67 million and growth capital expenditure was approximately $62 million for the year ended December 31, 2022. Capital expenditure related to property, plant and equipment in the Europe & Africa segment accounted for 62% of capital expenditure in the year ended December 31, 2022. Capital expenditures related to property, plant and equipment included in the Europe & Africa segment (primarily Austria Wind repowering and Vorotan refurbishment) and to property, plant and equipment included in the Americas segment (primarily in our Bonaire and U.S. assets).

Capital expenditure was $104.4 million for the year ended December 31, 2021, with 59% of capital expenditure in the year ended December 31, 2021 related to property, plant and equipment included in the Europe & Africa segment (primarily Austria Wind repowering, Vorotan refurbishment and in Maritsa) and the rest related to property, plant and equipment included in the Americas segment (primarily in our Mexico CHP plants). Maintenance capital expenditure was approximately $63 million and growth capital expenditure was approximately $42 million for the year ended December 31, 2021.

IMPORTANT EXPLANATORY NOTE

The preparation and posting of this Current Report shall in no way be interpreted as an undertaking on the part of Company to otherwise comply with the reporting requirements and the related rules and regulations of the Securities Exchange Act of 1934, as amended.

This Current Report makes reference to certain non-IFRS measures. These measures are not measures of our financial performance or liquidity under IFRS and should not be considered as an alternative to any measures of performance under IFRS.

In this Current Report, we present certain unaudited historical, run-rate financial and other forward-looking financial information, which has not been prepared in accordance with IFRS or any generally accepted accounting standards, including a presentation of Run-Rate Adjusted EBITDA. This financial, run-rate and forward-looking information is based on internal management accounts, data provided by a reputable market research firm, merchant revenue estimates, PPA revenue estimates, capacity payment revenue estimates, operating expense estimates and other estimates and assumptions that management deems reasonable and has been prepared under the responsibility of our management solely for illustrative purposes. While we believe our estimates and assumptions are reasonable, such estimates and assumptions may prove to be incorrect. These estimates and assumptions are uncertain and subject to significant business, economic and competitive uncertainties which we are not able to predict, and which are beyond our control. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of our financial condition or results of operations, may not be comparable to our other financial statements or the other financial information included in this Current Report.

This Current Report is for informational purposes only and does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or otherwise acquire any securities of the Company or any of its subsidiaries or affiliates, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company or any of its subsidiaries or affiliates, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

Annex A

Unaudited Condensed Interim Consolidated Financial Statements as of and for the Nine Months Ended September 30, 2024

Unaudited Condensed Interim Consolidated Financial Statements

CONTOURGLOBAL LIMITED AND ITS SUBSIDIARIES

For the nine month period

And as of 30 September, 2024

TABLE OF CONTENTS

Unaudited condensed interim consolidated statement of income and other comprehensive income

And as of 30 September, 2024

In $ millions	Note	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023
Revenue	**1.5**	**1,311.5**	**1,693.4**
Cost of sales	1.6	(998.1)	(1,281.7)
Gross profit		**313.4**	**411.7**
Selling, general and administrative expenses	1.6	(25.5)	(21.6)
Other operating income		12.3	16.8
Other operating expenses		(23.8)	(3.3)
Impairment of assets	1.11	(73.4)	(70.1)
Acquisition, disposal and other transactions related items	1.7	(7.0)	(7.3)
Profit on acquisition / disposal of power generating plants	1.3	9.6	5.3
Income from operations		**205.6**	**331.5**
Share of profit in associates		-	4.3
Finance income	1.8	24.1	21.7
Finance costs	1.8	(194.2)	(239.2)
Net foreign exchange gains and (losses) and changes in fair value of derivatives	1.8	13.4	(63.8)
Profit before income tax		**48.9**	**54.5**
Income tax expenses	1.9	(43.7)	(63.4)
Net profit for the period		**5.2**	**(8.9)**
Profit /(loss) for the period attributable to			
- Equity shareholders of the Company		12.2	(27.6)
- Non-controlling interests		(7.0)	18.7

In $ millions	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023
Net profit for the period	**5.2**	**(8.9)**
(Loss)/gain on hedging transactions	(34.8)	17.0
Deferred taxes on (loss)/gain on hedging transactions	9.2	(3.2)
Reclassification of currency translation differences to profit or (loss) on disposal of Brazil Wind assets (note 1.4)	(9.6)	-
Currency translation differences	(26.0)	30.9
Items that may be reclassified subsequently to income statement	**(61.2)**	**44.7**
Other comprehensive (loss)/profit for the period net of tax	**(61.2)**	**44.7**
Total comprehensive (loss)/profit for the period	**(56.0)**	**35.8**
Attributable to		
- Equity shareholders of the Company	(41.1)	17.0
- Non-controlling interests	(14.9)	18.8

Unaudited condensed interim consolidated statement of financial position

And as of 30 September, 2024

In $ millions	Note	Unaudited as of 30 September, 2024	Audited as of 31 December, 2023
Non-current assets		**3,562.7**	**3,854.2**
Intangible assets and goodwill	1.10	215.1	223.3
Property, plant and equipment	1.11	2,944.3	3,197.8
Financial concession and other financial assets	1.12	300.3	323.4
Derivative financial instruments	1.13	8.6	17.2
Other non-current assets		35.9	46.9
Deferred tax assets	1.9	58.5	45.6
Current assets		**1,287.3**	**1,607.5**
Inventories		194.6	545.8
Finance lease and financial concession assets		17.5	17.4
Trade and other receivables		320.8	409.3
Current income tax assets		36.5	11.0
Derivative financial instruments	1.13	9.3	30.4
Other current assets		43.5	55.4
Cash and cash equivalents		665.1	538.2
Assets held for sale		**-**	**539.5**
Total assets		**4,850.0**	**6,001.2**

In $ millions	Note	Unaudited as of 30 September, 2024	Audited as of 31 December, 2023
Total equity and non-controlling interests		**(125.4)**	**(3.8)**
Issued capital		8.8	8.8
Share premium		380.8	380.8
Retained earnings and other reserves		(593.2)	(552.1)
Non-controlling interests		78.2	158.7
Non-current liabilities		**4,227.7**	**4,378.5**
Borrowings	1.16	3,675.9	3,758.2
Derivative financial instruments	1.13	85.4	107.2
Deferred tax liabilities	1.9	351.6	376.1
Provisions		66.4	66.6
Other non-current liabilities		48.4	70.4
Current liabilities		**747.7**	**1204.5**
Trade and other payables		236.5	661.9
Borrowings	1.16	326.4	311.1
Derivative financial instruments	1.13	8.7	6.5
Current income tax liabilities		70.2	35.3
Provisions		5.1	6.6
Other current liabilities		100.8	183.1
Liabilities held for sale		**-**	**422.0**
Total liabilities		**4,975.4**	**6,005.0**
Total equity and non-controlling interests and liabilities		**4,850.0**	**6,001.2**

The accompanying notes are an integral part of these consolidated financial statements

Unaudited condensed interim consolidated statement of changes in equity

And as of 30 September, 2024

In $ millions	Share capital	Share premium	Currency translation reserve	Hedging reserve	Cost of hedging reserve	Actuarial reserve	Retained earnings	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance as of 31 December, 2022	8.8	380.8	(59.4)	53.9	(1.9)	(1.7)	125.8	506.3	135.4	641.7
Balance as of 1 January, 2023	8.8	380.8	(59.4)	53.9	(1.9)	(1.7)	125.8	506.3	135.4	641.7
Profit for the period	-	-	-	-	-	-	(27.6)	**(27.6)**	18.7	**(8.9)**
Other comprehensive income	-	-	29.7	14.9	-	-	-	**44.6**	0.1	**44.7**
Total comprehensive (loss) /income for the period	**-**	**-**	**29.7**	**14.9**	**-**	**-**	**(27.6)**	**17.0**	**18.8**	**35.8**
Acquisition of non-controlling interest resulting in a change of control	-	-	-	-	-	-	(22.2)	**(22.2)**	22.2	**-**
Dividends	-	-	-	-	-	-	(539.2)	**(539.2)**	(6.5)	**(545.7)**
Transaction with non-controlling interest	-	-	-	-	-	-	-	**-**	(2.3)	**(2.3)**
Balance as of 30 September, 2023	8.8	380.8	(29.7)	68.8	(1.9)	(1.7)	(463.2)	(38.1)	167.6	129.5
Balance as of 1 January, 2024	8.8	380.8	(45.2)	10.6	(1.9)	(1.8)	(513.8)	(162.5)	158.7	(3.8)
Profit for the period	-	-	-	-	-	-	12.2	**12.2**	(7.0)	**5.2**
Reclassification to profit or loss on disposal of Brazil Wind assets (note 1.4)	-	-	(9.6)	-	-	-	-	**(9.6)**	-	**(9.6)**
Other comprehensive loss	-	-	(19.1)	(24.6)	-	-	-	**(43.7)**	(7.9)	**(51.6)**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(28.7)**	**(24.6)**	**-**	**-**	**12.2**	**(41.1)**	**(14.9)**	**(56.0)**
Sale of the 51% interest in Chapadas I and II (note 1.4)	-	-	-	-	-	-	-	**-**	(51.3)	**(51.3)**
Dividends	-	-	-	-	-	-	-	**-**	(15.4)	**(15.4)**
Transaction with non-controlling interests	-	-	-	-	-	-	-	**-**	1.1	**1.1**
Balance as of 30 September, 2024	8.8	380.8	(73.9)	(14.0)	(1.9)	(1.8)	(501.6)	(203.6)	78.2	(125.4)

The accompanying notes are an integral part of these consolidated financial statements

In $ millions	Unaudited Nine months period ended 30 September	
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss)	**5.2**	**(8.9)**
Adjustment for:		
Depreciation and amortisation expense	295.1	272.2
Impairment of assets	73.4	70.1
Change in provisions	(0.3)	(0.2)
Share of profit in associates	-	(4.3)
Net foreign exchange gains and change in fair value of derivatives	(13.4)	63.8
Interest expenses - net	141.1	156.2
Other financial items	29.0	61.2
Income tax expense	43.7	63.4
Mexico CHP fixed margin swap	(21.6)	(16.4)
Change in finance lease and financial concession assets	30.2	24.8
Gain on Brazil Wind sale	(9.6)	-
Gain on deemed disposal of Termoemcali	-	(5.3)
Other items	2.1	1.9
Change in working capital	(92.0)	(40.4)
Income tax paid	(62.1)	(55.4)
Contribution received from associates	-	0.5
Net cash generated from operating activities	**420.8**	**583.3**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(102.7)	(95.6)
Purchase of intangibles	(4.0)	(2.0)
Sale of subsidiaries, net of divested cash	62.7	-
Acquisition of subsidiaries, net of cash received	-	(10.6)
Other investing activities	36.2	22.3
Net cash used in investing activities	**(7.8)**	**(85.9)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	605.4	460.1
Repayment of borrowings	(740.4)	(590.8)
Debt issuance costs	(19.6)	(3.3)
Interest paid	(126.4)	(170.4)
Cash distribution to non-controlling interests	-	(20.0)
Dividends paid to non-controlling interest holders	(15.4)	(5.0)
Transactions with non-controlling interest holders, cash received	1.7	-
Transactions with non-controlling interest holders, cash paid	(20.4)	(24.5)
Other financing activities and derivatives	(37.0)	(39.0)
Net cash used in financing activities	**(352.1)**	**(392.9)**
Exchange losses on cash and cash equivalents	**(15.4)**	**(8.7)**
Net change in cash and cash equivalents	**45.8**	**95.8**
Cash & cash equivalents at beginning of the period	**619.4**	**509.6**
Included in cash and cash equivalents in the balance sheet	**538.2**	**509.6**
Included in assets held for sale	**81.2**	**-**
Cash & cash equivalents at end of the period	**665.1**	**605.4**

The accompanying notes are an integral part of these consolidated financial statements

Included in cash and cash equivalents in the balance sheet	**665.1**	**605.4**
Included in the assets held for sale	**-**	**-**

The accompanying notes are an integral part of these consolidated financial statements

1. *Notes to the consolidated financial statements*

1.1. General information

ContourGlobal Limited (the 'Company') together with its subsidiaries (the 'Group') is a private company, domiciled in the United Kingdom and incorporated in England and Wales. It is the holding company for the Group whose principal activities during the period were the operation of wholesale power generation businesses with thermal and renewables assets in Europe, Latin America, United States of America and Africa, and its registered office is:

Tintagel House
92 Albert Embankment
London
SE1 7TY
United Kingdom

Registered number: 10982736

The Group develops, acquires, operates and manages wholesale power generation businesses on four continents. It focuses on both underserved or niche markets and developed markets and evaluates projects based on individual merit pursuing greenfield, brownfield as well as acquisition opportunities as they arise. The Group actively collaborates with governments, multilateral financial institutions, manufacturers, contractors and other power and non-power industry participants to provide innovative solutions to the challenge of providing clean, reliable electricity.

The Group consists of a diversified portfolio of operating power plants, power plants under construction, as well as projects in pre-construction phase located in four broad geographic areas: Europe, Latin America, United States of America and Africa. It is comprised of 100% owned and/or majority controlled subsidiaries as well as investments in which the Company holds a non-controlling interest.

The Group's main corporate offices are in London (United Kingdom), Milan (Italy), Madrid (Spain), Vienna (Austria), Luxembourg (Luxembourg) and Paris (France), and these offices provide administrative and technical support to operations and development activities.

The financial statements on pages 3 to 33 were approved and authorised for issue by the board and were signed on its behalf by:

Laurent Hullo

Director

19 December 2024

1.2. Basis of preparation

These condensed interim consolidated financial statements for the reporting period ended 30 September 2024 have been prepared in accordance with the UK-adopted International Accounting Standard 34, "Interim Financial Reporting". In accordance with IAS 34, interim financial information is prepared in order to update the most recent annual consolidated financial statements prepared by ContourGlobal Limited, placing emphasis on new activities, occurrences and circumstances that have taken place during the nine months ended 30 September, 2024 and not duplicating the information previously published in the annual consolidated financial statements for the year ended 31 December, 2023. Therefore, the condensed interim consolidated financial statements do not include all the information that would be required in complete consolidated financial statements. In view of the above, for an adequate understanding of the information, these condensed interim consolidated financial statements must be read together with ContourGlobal Limited consolidated financial statements for the year ended 31 December, 2023. The information for the year ended 31 December 2023 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The financial statements are prepared in accordance with IFRS under the historical cost convention, as modified for the revaluation of certain financial instruments. The financial information is presented in millions of U.S. Dollars, with one decimal. Thus numbers may not sum precisely due to rounding.

These condensed interim consolidated financial statements were approved by the Directors for issue on 19 December 2024.

In accordance with IAS34, taxes on income in interim periods are accrued using the weighted average effective income tax rate that would be applicable to the expected total annual taxable profit or loss.

Going concern

The Directors have formed a judgement, at the time of approving the interim financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing this report.

The assessment performed by the Directors covers the period until 31 January 2026 and considers;

- The acquisition of a US portfolio of renewable development/construction projects (refer to Note 1.20) whereby the Sale and Purchase Agreement was signed on 28 November 2024 and is expected to close before 31 December 2024;
- The acquisition of a Chilean portfolio of renewable and BESS operational/construction projects (refer to Note 1.20) whereby the Sale and Purchase Agreement was signed on 17 December 2024 and is expected to be close before 31 December 2024;
- The associated committed cashflows for these acquisitions to complete construction and commence operations during the going concern period;
- The assessment also considers the ongoing liquidity requirements including the 2026 and 2028 Euro Bonds and 'Midco' term loan group financings and the associated covenant compliance.

Whilst we consider it likely that a project financing will be obtained for the US portfolio acquisition in 2025, given the highly desirable US based renewable assets with long term contracted cashflows, which would largely offset to the acquisition and cashflow requirements of the acquisition, given this is not committed at the date of performing the going concern assessment, the US portfolio financing has not been included in the going concern assessment. Therefore as a result of the cash needs for the completion of the US portfolio acquisition and the Chilean portfolio acquisition and associated construction capital expenditure, the Group's ability to continue as a going concern is reliant on successfully refinancing the 2026 Corporate Bond (€410 million), which is due on 1 January 2026. At the date of signing these interim financial statements, the process to refinance the 2026 Euro Bonds was significantly advanced and the Directors believe they will be successful in refinancing in early 2025, well in advance of the maturity of the facility in January 2026. Further we note that in the assessment performed there is significant cash available throughout the going concern period until the €410 million 2026 Euro Bonds are due in January 2026.

The assessment, which includes plausible downside scenarios, is based on future forecasts and projections of the Group's financial resources and the ability of the Group's assets to generate free cash flow. In both the base case and the severe but plausible downside sensitivity scenario, the forecasts indicate that there is sufficient headroom and liquidity for the business to continue based on the facilities available to the Group, assuming the successful refinancing of the 2026 Euro Bond by January 2026. In each of these scenarios, the Group is also forecast to be in compliance with the required covenants on the aforementioned borrowing facilities and has significant cash available throughout the period until the 2026 Euro Bonds are due in January 2026.

As a consequence of the assessment performed, the Directors have concluded that there is a reasonable expectation that both the Group are well placed to manage their business risks and to continue to meet their obligations as they fall due for the foreseeable future (being at least for the 12-month period from the approval date of these financial statements). Accordingly, the Directors continue to adopt the going concern basis in preparing the consolidated financial statements.

Critical accounting judgements and estimates

In preparing these condensed interim consolidated financial statements, the accounting policies, the significant judgments made by management in applying ContourGlobal Limited accounting policies and the key sources of estimation uncertainty were largely the same as those that applied to ContourGlobal Limited consolidated financial statements for the year ended 31 December, 2023, except for the following those disclosed below:

The preparation of the condensed interim consolidated financial statements, according IAS 34 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

Critical accounting judgements

Assessing property, plant and equipment and intangible assets for indicators of impairment or impairment reversal

The Group's property, plant and equipment and intangible assets are reviewed for indications of impairment (an impairment "trigger") or impairment reversal in accordance with IAS 36 Impairment of Assets ("IAS 36"). Judgement is applied in determining whether an impairment trigger has occurred, based on both internal and external sources. Typical external sources may include: market value declines, negative changes in technology, markets (including market interest rates), economy, impact of climate changes, energy transition or laws. Typical internal sources may include: obsolescence or physical damage, significant changes in the way and asset is used or expected to be used including changes in useful life and worse economic performance than expected, including from adverse weather conditions for renewable plants.

And as of 30 September, 2024

For the period ended 30 September, 2024, an impairment trigger has been identified in relation to the Maritsa, Bulgaria operation as a result of the reduction in commercial operations from the plant following the expiry of the PPA in February 2024. Refer to Note 1.11 for details.

Kosovo e Re project arbitration

Following the successful arbitration award in August 2023, in July 2024 full payment of the outstanding project costs (recognised in Other Non Current Assets in the opening balance sheet) of €19.7 million ($20.9 million) was received from the Government of Kosovo.

Critical accounting estimates

Fixed margin swap

Certain estimates are made in relation to the valuation of the fixed margin swap agreements held by CHP Mexico which protect certain power purchase agreements against variations in the Comision Federal de Electricidad ("CFE") tariffs. The valuation of this derivative is based on a number of data points, which includes both factual inputs and estimates. Refer to note 1.13 for sensitivity analysis of this instrument.

Foreign currency translation

The assets and liabilities of foreign undertakings are translated into US dollars, the Group's presentation currency, at the period-end exchange rates. The results of foreign undertakings are translated into US dollars at the relevant average rates of exchange for the period. Foreign exchange differences arising on retranslation are recognised directly in the currency translation reserve.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised at period end exchange rates in the statement of income line which most appropriately reflects the nature of the item or transaction.

The following table summarises the main exchange rates used for the preparation of the consolidated financial statements of ContourGlobal:

	CLOSING RATES		AVERAGE RATES	
	At 30 September	At 31 December	Nine months ended 30 September	
Currency	2024	2023	2024	2023
EUR / USD	1.1135	1.1039	1.0871	1.0831
BRL / USD	0.1836	0.2066	0.1915	0.1998
BGN / USD	0.5693	0.5644	0.5558	0.5538
MXN / USD	0.0510	0.0592	0.0567	0.0562

Seasonality of operations

The impact of seasonality on our Thermal operations is minimal as our Thermal assets are generally operated under Power Purchase Agreements ("PPAs") where we are compensated on the basis of electrical capacity or availability whether or not the off-taker requests the electrical output (capacity payments). We do have a seasonal related impact on our Renewable operations. The amount of electricity our renewable assets produce is dependent in part on the amount of sunlight, or irradiation, wind and hydrology where the assets are located. Because shorter daylight hours in winter months results in less irradiation, the generation of particular solar assets will vary depending on the season. Adjusted EBITDA for the two first quarters of the year is typically lower than for the two last quarters for both wind assets in Latin America (high wind season in the second part of the year) and for solar assets in Europe (higher irradiation in the second part of the year).

New and revised accounting standards and interpretations

In May 2023, the IASB issued Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7. This amendment requires additional disclosures about supplier financing arrangements. In accordance with this amendment, these disclosures are not required in interim periods in the year of initial application. Other amendments which apply for the first time in 2024 are Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 and Classification of Liabilities as Current or Noncurrent and

Non-current Liabilities with Covenants – Amendments to IAS 1. All these amendments had no material impact on the Condensed Interim Financial Statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

1.3. 2024 transactions

Brazil Wind portfolio sale

On 30 June 2024, the sale of the Brazil Wind disposal group completed, which comprised our wind farms Chapada and Asa Branca, the Sao Paulo office, and the Intelligence Center in Natal. The transaction price for the sale was BRL 321.7 million ($62.8 million). The resulting gain on disposal was:

In $ millions	
Transaction price	62.8
Loss on FX forward	(5.1)
Reclassification of currency translation reserve to profit and loss account	9.6
Less: net assets disposed of	57.5
Gain on disposal	**9.6**

The gain on disposal of $9.6 million is presented in Profit on disposal of subsidiaries in the Consolidated Statement of Income.

The transaction proceeds of $62.8 million were received on 1 July 2024.

As at 30 June 2024, prior to the disposal the assets and liabilities of the Brazil Wind group were classified as assets and liabilities held for sale with a carrying value of $456.8 million and $348.1 million respectively. Assets held for sale include cash and cash equivalents of $41.3 million.

The entities included in the Brazilian Wind disposal group at 31 December 2023, which were subsequently disposed on 30 June 2024 are:

- ContourGlobal Do Brasil Holding Ltda
- Ventos de Santa Joana IX
- Ventos de Santa Joana X
- Ventos de Santa Joana XI
- Ventos de Santa Joana XII
- Ventos de Santa Joana XIII
- Ventos de Santa Joana XV
- Ventos de Santa Joana XVI
- Asa Branca Holding S.A.
- Asa Branca Iv Energias Renováveis Ltda
- Asa Branca V Energias Renováveis Ltda
- Asa Branca Vi Energias Renováveis Ltda
- Asa Branca Vii Energias Renováveis Ltda
- Asa Branca Viii Energias Renováveis Ltda
- VENTOS DE SANTA JOANA I
- VENTOS DE SANTA JOANA III
- VENTOS DE SANTA JOANA IV
- VENTOS DE SANTA JOANA V
- VENTOS DE SANTA JOANA VII
- VENTOS DE SANTO AUGUSTO IV
- Chapada do Piaui I Holding S.A.
- VENTOS DE SANTO AUGUSTO III
- VENTOS DE SANTO AUGUSTO V
- Chapada do Brazil Piaui II Holding S.A.
- Chapada do Piaui III Holding S.A

1.4. Segment reporting

The Group's reporting segments reflect the operating segments which are based on the organisational structure and financial information provided to the Chief Executive Officer, who represents the chief operating decision-maker ("CODM"). ContourGlobal's internal management structures report on a geographical basis with the two key segments being Americas and Europe & Africa.

Americas for power generating plants operating from natural gas, fuel oil, diesel, coal and for power generating plants operating from renewable resources such as wind, solar and batteries. Americas plants include Mexican CHP, US and Trinidad & Tobago assets, Sochagota, Bonaire, Energies Saint-Martin, Inka and Termoemcali.

Europe & Africa for power generating plants operating from natural gas, fuel oil, diesel, coal and for power generating plants operating from renewable resources such as wind, hydro and solar. European plants include Vorotan, Austria, Maritsa, Arrubal, Spanish Concentrated Solar Power and our other European plants. Africa plants include Nigeria, Togo, Senegal and Rwanda.

The **Corporate & Other** category primarily reflects costs for certain centralised functions including executive oversight, corporate treasury and accounting, legal, compliance, human resources, IT and facilities management and certain technical support costs that are not allocated to the segments for internal management reporting purposes.

The CODM assesses the performance of the operating segments based on Adjusted EBITDA which is defined as profit for the period from continuing operations before income taxes, net finance costs, depreciation and amortisation, acquisition, disposal and other transactions related items, gains/losses on disposal of power generating plants, plus, if applicable, net cash gain or loss on sell down transactions (in addition to the entire full period profit from continuing operations for the business the sell down transaction relates to) and specific items which have been identified and material items where the accounting diverges from the cash flow and therefore does not reflect the ability of the assets to generate stable and predictable cash flows in a given period, less the Group's share of profit from non-consolidated entities accounted under the equity method, plus the Group's pro-rata portion of Adjusted EBITDA for such entities. In determining whether an event or transaction is adjusted, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

The Group considers that the presentation of Adjusted EBITDA enhances the understanding of ContourGlobal's financial performance, in regards to understanding its ability to generate stable and predictable cash flows from operations. Where applicable, the cash gain on sell down is also included to demonstrate the ability of the Group to sell down assets at a significant premium, which is a distinct activity from operational performance of the power plants. The Group also believes Adjusted EBITDA is useful to investors because it is frequently used by security analysts, stakeholders, ratings agencies and other interested parties to evaluate other companies in the Group's industry and to measure the ability of companies to service their debt.

The CODM does not review nor is presented a segment measure of total assets and total liabilities.

All revenue is derived from external customers.

In $ millions	Nine months ended 30 September 2024	2023
Revenue		
Americas (1)	722.5	618.0
Europe & Africa (2)	589.0	1,075.5
Total revenue	**1,311.5**	**1,693.5**

And as of 30 September, 2024

Adjusted EBITDA		
Americas (3)	333.6	270.2
Europe & Africa (4)	293.6	441.1
Corporate & Other (5)	(20.4)	(17.6)
Total adjusted EBITDA	**606.8**	**693.7**
Reconciliation to profit before income tax		
Depreciation and amortisation (note 1.10 and 1.11)	(295.1)	(272.2)
Impairment of assets (note 1.11)	(73.4)	(70.1)
Finance income (note 1.8)	24.1	21.7
Finance costs (note 1.8)	(194.2)	(239.2)
Net foreign exchange gains and (losses) and changes in fair value of derivatives (note 1.8)	13.4	(63.8)
Share of adjusted EBITDA in associates (6)	-	(6.4)
Share of profit in associates	-	4.3
Acquisition, disposal and other transactions related items (note 1.7)	(7.0)	(7.3)
Restructuring charges (7)	(15.9)	-
Mexico CHP fixed margin swap (8) (note 1.13)	21.6	16.4
Change in finance lease and financial concession assets (9)	(30.2)	(24.8)
Gain on Termoemcali acquisition	-	5.3
Gain on Brazil Wind sale (note 1.3)	9.6	-
Other	(10.8)	(3.1)
Profit before income tax	**48.9**	**54.5**

(1) Revenue generated in 2024 in US and Mexico amounted to $132.0 million and $231.1 million respectively (30 September 2023: $156.5 million and $213.8 million respectively).

(2) Revenue generated in 2024 in Bulgaria and Spain amounted to $103.4 million and $234.7 million respectively (30 September 2023: $465.4 million and $331.5 million respectively).

(3) Corporate costs mainly correspond to selling, general and administrative expenses before depreciation and amortization of $5.1 million (30 September 2023: $4.7 million).

(4) Corresponds to our share of Adjusted EBITDA of plants accounted for under the equity method (Termoemcali) which are reviewed by our CODM as part of our Americas Energy segment. On 29 September 2023 the Group acquired 24.91% shares in Termoemcali, resulting in the discontinuation of equity accounting.

(5) Represents redundancy and other restructuring related costs.

(6) Reflects an adjustment to align the recognised earnings with the cash flows generated under the CHP Mexico fixed margin swap during the period as presented in the consolidated statement of cash flow as “Mexico CHP fixed margin swap”.

(7) Reflects an adjustment to align the recognised earnings with the cash flows generated under finance lease and financial concession arrangements which is presented in the consolidated statement of cash flow as “Change in finance lease and financial concession assets”.

Cash outflows on capital expenditure

In $ millions	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Americas	47.6	49.3
Europe & Africa	52.7	44.9
Corporate & Other	2.4	1.4
Total capital expenditure	**102.7**	**95.6**

Geographical information

The geographic analysis of non-current assets, excluding derivative financial instruments and deferred tax assets, based on the location of the assets, which are not presented to the CODM, is as follows:

In $ millions	Nine months ended 30 September 2024	Year ended 31 December 2023
Americas	1,704.8	1,836.4
Europe & Africa	1,766.4	1,950.5
Corporate	21.8	4.5
Total non-current assets	**3,493.0**	**3,791.4**

1.5. Revenue

In $ millions	Nine month ended 30 September, 2024	2023
Revenue from power sales (1)	1,055.1	1,419.6
Revenue from operating leases (2)	136.2	144.0
Revenue from concession and finance lease assets (3)	17.9	16.6
Other revenue (4)	102.3	113.2
Total revenue	**1,311.5**	**1,693.4**

Revenue from power sales and Other revenue are recognised under IFRS 15 and total $1,157.4 million in 30 September 2024 (30 September 2023: $1,532.8 million). Revenue from operating leases and revenue from concession and finance lease assets are recognised under IFRS 16 and IFRIC 12 respectively.

(1) The decrease in Revenue from power sales from $1,419.6 million to $1,055.1 million is principally due to revenue decrease in our Maritsa plant of $362.5 million mainly due to the reduction in commercial operations following the PPA expiry in February 2024 and lower energy sales in Arrubal (-$62.0 million) driven by a decrease in generation and lower captured prices. This was partially offset by higher revenue in Sochagota of $39.4 million mainly due to higher energy prices due to the El Niño phenomenon and market strategy change and the acquisition of an additional 25% (and controlling) interest in Termoemcali (+$101.0 million) in September 2023 in conjunction with strong energy demand from Ecuador which has resulted in higher captured prices.

(2) Revenue from operating leases mainly includes $30.5 million relating to our Solutions plants, $40.5 million relating to our Bonaire plant, $63.2 million relating to certain US and Trinidad and Tobago assets (30 September 2023: $37.9 million, $37.3 million, and $66.9 million respectively).

(3) Some of our plants are operating under specific arrangements for which certain other accounting principles are applied as follows:

- Our Togo, Rwanda (Kivuwatt) and Senegal (Cap des Biches) plants are operating pursuant to concession agreements that are under the scope of IFRIC 12.
- Our Energies Saint Martin plant is operating pursuant to PPAs that are considered to contain a finance lease.

(4) Other revenue primarily relates to environmental, operational and maintenance services rendered to offtakers in our power plants in Bulgaria, Togo, Rwanda and Senegal.

The Group has no customer contributing more than 10% of Group's revenue (September 2023: one customer).

	Nine months ended 30 September 2024	2023
Customer A (Europe & Africa)	-	27.5%

1.6. Expenses by nature

In $ millions	Nine month ended 30 September, 2024	2023
Fuel costs	341.3	388.4
Depreciation and amortisation	295.1	272.2
Operation and maintenance costs	50.6	64.3
Employee costs	89.0	89.5
Emission allowance utilized (1)	80.0	314.5
Professional fees	10.5	11.3
Purchased power	60.7	58.0
Transmission charges	25.1	21.9
Operating consumables and supplies	14.8	20.0
Insurance costs	24.0	28.2
Other expenses (2)	32.7	35.0
Total cost of sales and selling, general and administrative expenses	**1,023.6**	**1,303.3**

(1) Emission allowances utilised corresponds mainly to the costs of CO_2 quotas in Maritsa which are passed through to its offtaker and purchases of CO_2 allowances in Arrubal, and includes the write-down of CO_2 quotas held in inventory to their net realisable value where relevant.

(2) Other expenses include facility costs of $13.5 million at 30 September 2024 (30 September 2023: $13.5 million).

1.7. Acquisition, disposal and other transactions related items

In $ millions	Nine months ended 30 September, 2024	2023
Acquisition and disposal related items (1)	5.7	4.0
Other transactions related items	1.3	3.3
Acquisition, disposal and other transactions related items	**7.0**	**7.3**

(1) Acquisition and disposal related items costs include notably pre-acquisition costs such as due diligence costs and professional fees and other related incremental costs incurred as part of completed or contemplated acquisitions and disposals.

1.8. *Net finance costs, foreign exchange gains and (losses), and changes in fair value of derivatives*

	Nine months ended 30 September,	
In $ millions	**2024**	**2023**
Finance income	**24.1**	**21.7**
Net change in fair value of fixed margin derivative (1)	(0.2)	(50.8)
Net fair value changes of other derivatives and reclassification from cash flow hedge reserve (2)	21.7	-
Net foreign exchange differences (3)	(8.0)	(12.9)
Net foreign exchange gains and (losses) and change in fair value of derivatives	**13.4**	**(63.8)**
Interest expense on borrowings	(165.2)	(177.9)
Amortisation of deferred financing costs	(16.8)	(11.5)
Unwinding of discounting (4)	(5.3)	(14.6)
Other (5)	(7.1)	(35.3)
Finance costs	**(194.2)**	**(239.2)**
Net finance costs, foreign exchange gains and losses, and changes in fair value of derivatives	**(156.7)**	**(281.3)**

(1) Net change in fair value of derivatives related to the CHP Mexico fixed margin liability.

(2) Within this balance the Group recognised a profit of $21.7 million in the nine months ended 30 September 2024 in relation to its interest rate, cross currency and financial swaps, foreign exchange options and forward contracts (30 September 2023: nil) which relates to fair value changes on unsettled derivatives that are not hedge accounted and settled derivatives that are hedge accounted reclassified from the cash flow hedge reserve.

(3) Net foreign exchange differences include foreign exchange gains and losses primarily related to conversion of foreign currency denominated cash balances and foreign exchange differences relating to loans in subsidiaries that have a functional currency different to the currency in which the loans are denominated.

(4) Unwinding of discounting mainly relates to other long-term liabilities in the nine months ended 30 September 2024 and 2023.

(5) Other mainly includes costs associated with other financing, Maritsa debt to non-controlling interests, costs associated with various financings and letter of credit charges.

1.9. Income tax expense and deferred income tax

General accounting policies

The current and deferred income tax are calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group and its subsidiaries operate. The income tax was calculated using the effective tax rate expected to apply to each taxing jurisdiction of the Group in the period ending 30 September, 2024. The estimated effective tax rate is determined on a tax group basis and applied to the profit before tax of each taxing jurisdiction.

On 20 June 2023, Finance (No.2) Act 2023 was enacted in the UK, introducing Pillar Two and global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023.

The assessment of the potential exposure to Pillar Two income taxes is based on the country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief would not apply and the Pillar Two effective tax rate is close to 15% based on the most recent available data. In the period ending 30 September, 2024 the Group recognised immaterial current tax expense related to domestic or multinational top-up tax.

Income tax expense and deferred income tax

	Nine months ended 30 September,	
In $ millions	**2024**	**2023**
Current tax	(72.6)	(76.5)
Deferred income tax	28.9	13.1
Income tax expense	**(43.7)**	**(63.4)**
Effective Tax Rate	**89%**	**133%**

In the nine months ended 30 September, 2024, the effective tax rate decreased from 133% for the nine months ended 30 September, 2023, to 89% as of 30 September, 2024. The effective tax rate of the Group is impacted by the geographical composition of the profit before tax, and tax losses arising on certain group and financing costs on which no deferred tax asset is recognised. In the relevant period the profit before tax declined from $54.5 million as of 30 September, 2023, to $48.8 million as of 30 September, 2024. The group rate is also impacted by tax only adjustments relating to foreign exchange gains and losses and inflation

Net deferred tax movement

The gross movements of net deferred income tax assets (liabilities) were as follows:

In $ millions	**30 September, 2024**	**31 December, 2023**
Net deferred tax liabilities as of 1 January,	**(330.4)**	**(324.8)**
Statement of income	28.9	10.6
Deferred tax recognised directly in other comprehensive income	9.2	13.2
Acquisitions	-	(21.3)
Currency translation differences and other	(0.9)	(8.0)

And as of 30 September, 2024

Net deferred tax liabilities at closing date	**(293.2)**	**(330.4)**
Including net deferred tax assets balance of:	*58.5*	*45.6*
Deferred tax liabilities balance of:	*(351.6)*	*(376.1)*

Analysis of the deferred tax position unrecognised in the consolidated statement of financial position

Unrecognised deferred tax assets amount to $350.0 million as of 30 September, 2024 (31 December, 2023: $341.0 million).

Deferred tax assets that have not been recognised mainly relate to tax losses in the UK and Luxembourg where it is not probable that future taxable profit will be available against which the tax losses can be utilised. The amounts unrecognised for deferred tax purposes generally do not expire with the exception of Luxembourg, for which the tax losses generated after 1 January, 2017 expire after 17 years.

The Group accrues deferred tax liabilities for the withholding tax that will arise on the future repatriation of undistributed earnings. There are no undistributed earnings with material unrecognised temporary differences.

And as of 30 September, 2024

1.10. Intangible assets and goodwill

In $ millions	Goodwill	Work in progress	Legado rights	Contracts	Permits, licenses and other project development	Software and Other	Total
Cost	4.0	0.8	233.3	31.4	94.7	65.6	429.8
Accumulated amortisation and impairment	-	-	(42.3)	(17.4)	(42.4)	(48.5)	(150.6)
Carrying amount as of 1 January 2023	**4.0**	**0.8**	**191.0**	**14.0**	**52.3**	**17.1**	**279.2**
Additions	-	1.1	-	-	9.2	0.5	10.8
Acquired through business combination	-	-	-	-	-	0.2	0.2
Assets reclassified as held for sale	-	-	-	-	(37.2)	(0.2)	(37.4)
Currency translation differences	-	-	-	-	2.7	0.2	2.9
Reclassifications	-	(1.1)	-	-	1.8	0.9	1.6
Amortisation charge	-	-	(13.7)	(9.3)	(6.6)	(4.0)	(33.6)
Impairment charge	(0.5)	-	-	-	-	-	(0.5)
Closing net book amount	**3.5**	**0.8**	**177.3**	**4.7**	**22.2**	**14.7**	**223.3**
Cost	4.0	0.8	233.3	31.4	47.3	60.9	377.7
Accumulated amortisation and impairment	(0.5)	-	(56.0)	(26.7)	(25.0)	(46.2)	(154.4)
Carrying amount as of 1 January 2024	**3.5**	**0.8**	**177.3**	**4.7**	**22.3**	**14.7**	**223.3**
Additions	-	-	-	-	6.6	-	6.6
Currency translation differences	0.1	-	-	-	-	(0.2)	(0.1)
Reclassification	-	(0.2)	-	-	2.9	3.8	6.5
Amortisation charge	-	-	(10.3)	(4.7)	(3.5)	(2.8)	(21.3)
Closing net book amount	**3.6**	**0.6**	**167.0**	**-**	**28.3**	**15.5**	**215.1**
Cost	4.1	0.6	233.3	31.4	56.4	62.0	387.8
Accumulated amortisation and impairment	(0.5)	-	(66.3)	(31.4)	(28.1)	(46.5)	(172.8)
Carrying amount as of 30 September 2024	**3.6**	**0.6**	**167.0**	**-**	**28.3**	**15.5**	**215.1**

Contracts relate to the fair valuation on acquisition of power purchase agreements in the United States of America performed in 2021. Contracts are subsequently measured at amortised cost.

Permits, licenses and other project development rights relate to licenses acquired from the initial developers for our wind parks in Peru. Legado rights (histotical generation rights) were recognised on the acquisition of Mexico CHP.

Amortisation included in ‘cost of sales’ in the condensed interim consolidated statement of income amounted to $18.3 million in the nine months period ended 30 September 2024 (30 September 2023: $22.3 million) and amortisation included in ‘selling, general and administrative expenses’ amount to $2.9 million in the nine months ended 30 September 2024 (30 September 2023: $2.9 million).

1.11. Property, plant and equipment

The power plant assets predominantly relate to wind farms, natural gas plants, fuel oil or diesel plants, coal plants, hydro plants, solar plants, asset retirement obligations and other buildings.

Other assets mainly include IT equipment, furniture and fixtures, facility equipment and vehicles, and project development costs.

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	70.9	5,605.5	40.6	66.7	245.1	6,028.7
Accumulated depreciation and impairment	(5.9)	(2,660.9)	-	(25.8)	(138.3)	(2,830.9)
Carrying amount as of 1 January 2024	**65.0**	**2,944.6**	**40.6**	**40.9**	**106.8**	**3,197.8**
Additions	-	5.2	86.3	4.1	6.4	102.0
Disposals	-	(0.3)	(2.9)	-	(0.1)	(3.3)
Reclassification	5.0	83.8	(73.0)	-	(23.2)	(7.4)
Currency translation differences	0.5	(1.9)	0.8	0.2	2.7	2.3
Depreciation charge	(0.1)	(255.3)	-	(4.7)	(13.7)	(273.8)
Impairment charge	-	(73.4)	-	-	-	(73.4)
Closing net book amount	**70.3**	**2,702.7**	**51.8**	**40.5**	**78.9**	**2,944.3**
Cost	71.4	5,699.2	51.8	71.0	213.0	6,106.4
Accumulated depreciation and impairment	(1.1)	(2,996.5)	-	(30.5)	(134.1)	(3,162.2)
Carrying amount as of 30 September 2024	**70.3**	**2,702.7**	**51.8**	**40.5**	**78.9**	**2,944.3**

Construction work in progress as of 30 September 2024 predominantly relates to our ongoing Austria Wind repowering project and projects at Bonaire, Vorotan and Italy. Reclassifications from Construction work in progress to Power plant assets primarily relates to Austria Wind repowering project.

As of 30 September 2024, the Other category mainly related to $47.1 million of instruments and tools and $16.9 million of critical spare parts.

Depreciation included in 'cost of sales' in the condensed interim consolidated statement of income amounted to $272.0 million in the nine months period ended 30 September 2024 (30 September 2023: $245.2 million) and depreciation included in 'selling, general and administrative expenses' amount to $1.8 million in the nine months period ended 30 September 2024 (30 September 2023: $1.8 million).

Impairment assessment on tangible assets

Certain triggering events were identified during the period ended 30 September 2024, in relation to assets at our Maritsa coal plant in Bulgaria. These indicators were driven by the end of the PPA contract in February 2024 and subsequent reduction in commercial operations. Despite the reduction in coal operations at Maritsa, several renewable projects have been identified with the objective of transforming the former coal powered site and utilising the existing site and interconnection for the generation of renewable energy.

As such there was no cash generating unit from which to consider the recoverable value of the Martisa site. Instead we considered each asset on its own merits and where the asset could only be utilised in the

Impairment assessment on tangible assets (Continued)

capacity of coal fired generation, it was impaired in full. Where an asset was identified as having value to the future renewable operations or value on a standalone basis it was assessed for impairment

indicators. Of the non-coal related assets, none of the remaining assets were concluded to have indicators of impairment.

The total value of property, plant and equipment and construction work in progress which were assessed to have indicators of impairment and subsequently concluded to be fully impaired was $72.3 million and $1.1 million respectively. The carrying value of remaining property, plant and equipment and construction work in progress is $29.2 million.

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	67.6	5,843.0	53.5	57.0	215.4	6,236.4
Accumulated depreciation and impairment	(0.8)	(2,361.0)	-	(21.2)	(116.4)	(2,499.4)
Carrying amount as of 1 January 2023	**66.8**	**3,482.0**	**53.5**	**35.8**	**99.0**	**3,737.0**
Additions	-	11.6	121.2	11.0	18.9	162.7
Disposals	(1.4)	(5.8)	(0.8)	(0.1)	(0.6)	(8.7)
Reclassifications	0.6	120.9	(133.5)	-	14.1	2.1
Acquired through business combination	2.3	65.8	-	-	2.6	70.7
Assets recognised as held for sale	-	(396.2)	(0.9)	(0.3)	(8.9)	(406.3)
Currency translation differences	1.7	63.6	1.1	0.9	2.2	69.6
Depreciation charge	(0.1)	(332.6)	-	(6.4)	(20.4)	(359.5)
Impairment charge	(4.9)	(64.7)	-	-	-	(69.6)
Closing net book amount	**65.0**	**2,944.6**	**40.6**	**40.9**	**106.8**	**3,197.8**
Cost	70.9	5,605.5	40.6	66.7	245.1	6,028.7
Accumulated depreciation and impairment	(5.9)	(2,660.9)	-	(25.8)	(138.3)	(2,830.9)
Carrying amount as of 31 December 2023	**65.0**	**2,944.6**	**40.6**	**40.9**	**106.8**	**3,197.8**

Construction work in progress as of 31 December 2023 predominantly relates to our ongoing Austria Wind repowering project and projects at Bonaire and Vorotan. Reclassifications from Construction work in progress to Power plant assets primarily relates to Austria Wind repowering project.

As of 31 December 2023, the Other category mainly related to $53.4 million of instruments and tools and $17.5 million of critical spare parts.

Depreciation included in 'cost of sales' in the condensed interim consolidated statement of income amounted to $357.1 million in the year ended 31 December 2023 (31 December 2022: $324.7 million) and depreciation included in 'selling, general and administrative expenses' amount to $2.4 million in the year ended 31 December 2023 (31 December 2022: $2.1 million).

1.12. Finance lease and financial concession assets

In $ millions	30 September 2024	31 December 2023
Contract assets - Concession arrangements [(1)]	304.0	332.4
Other	13.7	8.4
Total finance lease and financial concession assets	**317.7**	**340.8**
Total finance lease and financial concession assets non-current portion	300.3	323.4
Total finance lease and financial concession assets current portion	17.5	17.4

(1) The Group operates plants in Togo, Rwanda and Senegal which are in the scope of the financial model of IFRIC 12 ‘Service Concession Arrangements’.

1.13. *Derivative financial instruments*

The Group uses interest rate swaps to manage its exposure to interest rate movements on borrowings, foreign exchange forward contracts and option contracts to mitigate currency risk, a financial swap in our Mexican CHP business to protect power purchase agreements, financial commodity swap to mitigate a portion of energy price risk in Austria and cross currency swap contracts in the Cap des Biches project in Senegal to manage both currency and interest rate risks. The fair value of derivative financial instruments are as follows:

	30 September, 2024		31 December, 2023	
In $ millions	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Interest rate swaps - Cash flow hedge (1)	13.2	35.3	33.1	28.8
Cross currency swaps - Cash flow hedge (2)	2.3	-	3.6	-
Foreign exchange forward contracts - Trading (3)	1.3	0.2	-	4.0
Option contracts - not in hedge relationships	-	-	0.1	-
Financial swap on commodity (4)	1.0	0.4	1.4	1.3
Fixed margin swap(5)	-	58.3	-	79.6
Other	0.1	-	9.4	-
Total	**17.9**	**94.2**	**47.6**	**113.7**
Less non-current portion:				
Interest rate swaps - Cash flow hedge	7.1	31.8	15.0	28.7
Cross currency swaps - Cash flow hedge	0.3	-	0.8	-
Foreign exchange forward contracts - Trading	0.2	-	-	0.5
Option contracts - not in hedge relationships	-	-	-	-
Financial swap on commodity	0.9	-	1.4	-
Fixed margin swap	-	53.6	-	78.0
Other	-	-	-	-
Total non-current portion	**8.6**	**85.4**	**17.2**	**107.2**
Current portion	**9.3**	**8.7**	**30.4**	**6.5**

(1) Interest rate swaps are used to hedge floating rate borrowings such that in effect the Group will be paying interest at a fixed rate. The fair value of the interest rate swaps mostly relates to contracts in Italy, Mexico and Austria for liability of $5.5 million and ContourGlobal Finance Holding for liability of $23.5 million (31 December 2023: to contracts in Italy, Mexico and Austria for liability $8.2 million) maturing between December 2026 and December 2043. Fair value of the Interest rate swaps remains constant in line with floating interest rates. Interest rate swaps are hedge accounted and as a result changes in fair value are recognised in other comprehensive income.

(2) In 2015, the Group entered into cross currency interest swaps in our Cap des Biches project in Senegal. The fair value of the instruments as of 30 September 2024 amounts to asset $2.3 million (31 December 2023: asset $3.6 million) maturing in July 2033. Currency interest rate swaps are hedge accounted and as a result changes in fair value are recognised in other comprehensive income.

(3) The Group has executed a series of offsets to protect in value, in USD terms, of MXN and COP denominated expected distributions. The MXN denominated distributions have been hedged using forward exchange contracts with a fair value of asset $1.3 million and maturity between October 2024 and January 2026. The COP denominated distributions have been hedged using forward exchange

contracts with a fair value of liability $0.2 million and maturity between October 2024 and December 2024 (31 December 2023: BRL, COP and MXN denominated distributions with a fair value of liability $4.1 million). Hedge accounting is not applied to these foreign exchange forward contracts, as a result changes in fair value are recognised in the condensed interim consolidated statement of income.

(4) The Group entered into financial swaps related to our Mexican CHP business to protect some purchase power agreements against the variations of the natural gas price maturing between December 2024 and September 2029.

(5) CHP Mexico entered into fixed margin swap agreements with the sellers' affiliates in order to protect certain power purchase agreements against variations in the CFE tariffs (electricity prices). The cash flows covered by the derivative amount to around $40 million of annual revenue over the next 8 years.

The notional amount of derivative financial instruments:

- the outstanding interest rate swap contracts and cross currency swap qualified as cash-flow hedge amounted to $1,629.0 million (31 December 2023: $1,711.4 million), bearing interest ranging between –0.15% and 4.4% as of 30 September 2024 (31 December 2023: -0.15% and 4.58%).

- the outstanding foreign exchange forward contracts amounted to $124.0 million as of 30 September 2024 (31 December 2023: $245.9 million); and

- the commodity swaps (gas) relate to some PPAs in our Mexican CHP plant amounting to $25.2 million as of 30 September 2024 (31 December 2023: $31.7 million) and our Austrian business amounting to $3.0 million as of 30 Septmber 2024 (31 December 2023: $2.6 million).

The Group recognised in Net Finance costs a gain in respect of changes in fair value of derivatives listed above of $12.6 million in the period ended 30 September 2024 (30 September 2023: loss of $50.5 million) and a gain of $8.8 million in the nine months ended 30 September 2024 in relation to settled positions (30 September 2023: loss of $0.4 million).

1.14. Fair value measurements

Fair value measurements of financial instruments are presented through the use of a three -level fair value hierarchy that prioritises the valuation techniques used in fair value calculations. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

The levels in the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

There were no transfers between fair value measurement levels between 31 December 2023 and 30 September 2024.

When measuring our interest rate, cross currency swaps and foreign exchange forward and option contracts at fair value on a recurring basis at both 30 September 2024 and 31 December 2023, we have measured these at level 2 in the fair value hierarchy with the exception of the fixed margin swap which is level 3. The fair value of those financial instruments is determined by using valuation techniques. These valuations techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates.

The Group uses a market approach as part of its available valuation techniques to determine the fair value of derivatives. The market approach uses prices and other relevant information generated from market transactions.

The Group's finance department performs valuation of financial assets and liabilities required for financial reporting purposes as categorised at levels 2 and 3. The Group's derivatives are interest rate swaps, foreign exchange forward contracts, option contracts, commodity swap contract, fixed margin swap in our Mexican CHP business and cross currency swap contracts in our Cap des Biches project in Senegal.

The change in the fair value of the fixed margin swap since 31 December 2023 of $21.3 million is driven by the movement of market inputs, in particular the USD/MXN FX increase, accounting for $24.3 million of the total variance and macroeconomic factor (discount rates), accounting for $3.9 million of the total variance, partially offset by CFE rates, accounting for $9.4million.

The sensitivity calculations on the CHP Mexico fixed margin swap liability show that (i) for an increase/decrease of 5% in the USD/MXN exchange rate, the fixed margin swap liability would decrease/increase by $6.3 million (31 December 2023: decrease/increase by $7.78 million), (ii) for an increase/decrease of 5% in the natural gas cost, the fixed margin swap liability will decrease/increase by $2.53 million (31 December 2023: decrease/increase by $3.3 million), (iii) for an increase/decrease of 5% in discount rates, the fixed margin swap liability will decrease/increase by $0.53 million (31 December 2023: decrease/increase of 25% by $4.2 million), and (iv) and for an increase/decrease of 5% in the CFE tariff, the fixed margin swap liability will increase/decrease by $9.6 million (31 December 2023: increase/decrease by $13.0 million).

Money market funds comprise investment in funds that are subject to an insignificant risk of changes in fair value. The fair value of money market funds is calculated by multiplying the net asset value per share by the investment held at the balance sheet date, we have measured these at level 2 in the fair value hierarchy.

1.15. Financial instruments by category

In $ millions As at 31 December 2023	Financial asset category Financial assets at amortised costs	Assets at fair value through profit and loss	Derivative used for hedging	Total net book value per balance sheet
Derivative financial instruments	-	0.1	47.5	47.6
Finance lease and financial concession assets	340.8	-	-	340.8
Trade and other receivables (1)	377.9	-	-	377.9
Other current assets	0.9	-	-	0.9
Other non-current assets (1)	46.3	-	-	46.3
Cash and cash equivalents	273.5	264.7	-	538.2
Total	**1,039.4**	**264.8**	**47.5**	**1,351.6**

In $ millions As at 30 September 2024	Financial asset category Financial assets at amortised costs	Assets at fair value through profit and loss	Derivative used for hedging	Total net book value per balance sheet
Derivative financial instruments	-	1.6	16.2	17.8
Finance lease and financial concession assets	317.7	-	-	317.7
Trade and other receivables (1)	282.2	-	-	282.2
Other current assets	1.0	-	-	1.0
Other non-current assets (1)	35.0	-	-	35.0
Cash and cash equivalents	199.4	465.7	-	665.1
Total	**835.3**	**467.3**	**16.2**	**1,318.8**

In $ millions As at 31 December 2023	Financial liability category Liabilities at fair value through profit and loss	Other financial liabilities at amortised cost	Derivative used for hedging	Total net book value per balance sheet
Borrowings	-	4,069.3	-	4,069.3
Derivative financial instruments	83.6	-	30.1	113.7
Trade and other payables	-	661.9	-	661.9
Other current liabilities (1)	-	137.0	-	137.0
Other non-current liabilities (1)	-	61.6	-	61.6
Total	**83.6**	**4,929.8**	**30.1**	**5,043.5**

In $ millions As at 30 September 2024	Financial liability category Liabilities at fair value through profit and loss	Other financial liabilities at amortised cost	Derivative used for hedging	Total net book value per balance sheet
Borrowings	-	4,002.3	-	4,002.3
Derivative financial instruments	58.5	-	35.7	94.2
Trade and other payables	-	236.5	-	236.5
Other current liabilities (1)	-	63.1	-	63.1
Other non current liabilities (1)	-	40.1	-	40.1
Total	**58.5**	**4,341.9**	**35.7**	**4,436.1**

(1) These balances exclude receivables and payables balances in relation to taxes and deferred revenue balance.

And as of 30 September, 2024

1.16. Borrowings

Certain power plants have financed their power generation projects by entering into external financing arrangements which require the pledging of collateral and may include financial covenants as described below. The financing arrangements are generally non-recourse (subject to certain guarantees) and the legal obligation for repayment is limited to the borrowing entity.

The Group's principal borrowings with a nominal outstanding amount of $4,050.0 million in total as of 30 September 2024 (31 December 2023: $4,144.4 million) primarily relate to the following:

Type of borrowing	Currency	Project Financing	Issue	Maturity	Outstanding nominal amount 30 September 2024 ($ million)	Outstanding nominal amount 31 December 2023 ($ million)	Rate
Senior facility agreement (1)	EUR	Project level financing	2023	2028 2030	946.4	1,021.0	EURIBOR/SOFR 6M +2.75% - 3.75%
Corporate bond (2)	EUR	Corporate Indenture	2020	2026 2028	790.6	783.7	2.75%, 3.125%
Loan Agreement (3)	USD	Mexican CHP	2024	2031 2034	438.7	400.6	SOFR + 3.0% Fixed 8.5%
Loan Agreement	USD	US	2022	2027	281.2	291.8	SOFR 3M + 2.0%
Loan Agreement	EUR	Spanish CSP	2018	2026 2038	257.8	267.8	Fixed 5.8% and 6.7%
Loan Agreement	EUR	Spanish CSP	2018	2036	248.5	255.2	3.438%
Loan agreement (4)	EUR	Solar Italy	2023	2030	222.5	200.5	EURIBOR 6M + 1.5%
Project bond	USD	Inka	2014	2034	142.5	148.9	6.0%
Loan Agreement	EUR	Spanish CSP	2021	2028 2034	127.2	132.4	EURIBOR 6M + 1.8% Fixed + 2.5%
Loan Agreement	EUR	Austria Wind	2013 2020	2027 2043	126.7	131.6	EURIBOR 6M + 1.3% - 2.5% EURIBOR 3M+1.5% - 1.95%
Loan Agreement	USD	Vorotan	2016	2034	95.9	98.3	SOFR 6M + 4.625%
Loan Agreement	USD	French Caribbean	2022	2027	88.1	97.0	SOFR 3M + 3.5%
Loan Agreement	USD	Cap des Biches	2015	2033	73.8	79.9	SOFR 6M +3.20%
Loan Agreement	USD	Togo	2008	2028	48.3	53.5	7.16% (Weighted average)
Other Credit facilities (individually < $50 million)	Various	Various	2012 - 2021	2025 - 2034	161.8	182.2	Mix of fix and variable rates
Total					**4,050.0**	**4,144.4**	

(1) In November 2023, the Group entered into a Senior Facility Agreement which comprised an €800 million term loan at the project level with split between three tranches with maturity of 5 and 7 years as well as a revolving credit facility of €150 million. The proceeds from this financing were used to repay in full the KKR bridge and acquisition loans. In February 2024, the Senior Facility Agreement loan was increased by €50 million and the revolving credit facility was also increased by €50 million.

(2) The Corporate bond issued by ContourGlobal Power Holdings S.A. in July 2018 for €750 million dual-tranche, includes €450 million bearing a fixed interest rate of 3.375% maturing in 2023 and €300 million bearing a fixed interest rate of 4.125% maturing in 2025. In July 2019, a new €100 million corporate bond tap was added to the €300 million tranche bearing the same fixed interest rate of 4.125% maturing also in 2025. On 17 December 2020, two new Corporate bonds were issued by ContourGlobal Power Holdings S.A. for €410 million aggregate principal amount of 2.75% senior secured notes due in 2026 and €300 million aggregate principal amount of 3.125% senior secured notes due in 2028. On 6 January 2021, the Group redeemed the €450 million ($549.7 million) aggregate principal amount of its 3.375% senior secured notes due 2023. On 13 February 2023 the Group redeemed the €400 million ($428.2 million) aggregate principal amount of its 4.125% senior secured notes due in 2025.

(3) On 29 August, 2024 Cogeneración de Altamira, S.A. de C.V. (Mexico) completed a refinancing transaction, involving the issuance of US$252 million in private placement notes, alongside a loan of US$273 million. The private placement notes bear a fixed interest rate of 8.5% and mature on 30 June 2034 and the loan bears interest at SOFR plus 3% per year and matures on 30 June 2031. At closing, the previous financing was fully repaid together with accrued interest and letter of credit fees for the total amount of $386.1m.

(4) On November 10, 2023 ContourGlobal Solar Holdings (Italy) entered into a €203 million facilities agreement, refinancing all the existing Italian Solar Plants facilities. The Facility bears interest at EURIBOR 6-month plus 1.50% per year and matures on 31 December 2030. In the first six months of 2024, an additional €62 million loan top-up was added to this financing.

With the exception of the Group's corporate bond and corporate revolving credit facility, all external borrowings relate to project level or specific project financing. Except for the Senior facility agreement, specific project financings are generally non-recourse (subject to certain guarantees).

The Group's borrowing facilities are subject to a variety of financial and non-financial covenants. The most significant financial covenants include debt service coverage ratio; leverage ratio; debt to equity ratio; equity to assets ratio; loan life coverage ratio and decreasing senior debt to total debt ratio.

Non-financial covenants include the requirement to maintain proper insurance coverage, enter into hedging agreements, maintain certain cash reserves, restrictions on dispositions, scope of the business, and mergers and acquisitions.

These covenants are monitored appropriately to ensure that the contractual conditions are met. The following technical breaches in an agreement condition were noted at 30 September, 2024:

• Following a change in external auditor in Togo, we did not seek consent before the change as was required under the relevant loan agreement resulting in ContourGlobal Togo being in breach. As a result the full carrying value of the loan of $49.4 million is presented in current borrowings. In November 2024 a waiver was obtained and as such this matter has been remedied going forward.

• In Senegal at period end there was a technical breach in a minor condition regarding the number of authorised offshore bank accounts as well as defaults relating to 1) overdue receivables from offtaker and payables to fuel supplier and related settlement of these and 2) the extent of offshore insurance coverage with highly rated insurers. As a result, the full carrying value of the loan of $67.3 million is presented in current borrowings.

1.17. Related party disclosure

During 2024, a Management Equity Plan ("MEP") was established whereby certain members of our senior management have acquired equity interests in a parent entity of the Group. In making the MEP available to senior management, the Group also provided the opportunity for senior management to receive a loan from the Group a portion of their MEP share purchase. In total $6.2 million was loaned to members of senior management.

1.18. Financial commitments and contingent liabilities

ContourGlobal Limited has no new or material changes to existing financial commitments or contingent liabilities in respect of legal claims arising in the ordinary course of business as compared to those disclosed in the consolidated financial statements for the year ended 31 December, 2023.

1.19. Guarantees and letters of credit

As of 30 September, 2024, there have been additional Letters of Credit ("LOC") provided, utilising our existing HSBC and Unicredit LOC facilities as compared to those disclosed in the consolidated financial statements for the year ended 31 December, 2023.

An LOC facility has been signed at CG Power Holdings level with Swiss Re on August 12th, 2024, allowing issuance of bonds and LOCs. Bonds and LOCs have been issued under this facility for development projects (Suntribe).

1.20. Subsequent events

On 28 November 2024 the Membership Interest Purchase agreement for the acquisition of three late stage PV development/in construction assets located in Colorado and Virginia (United States of America) with gross capacity of 446 MW, was signed. The aggregate preliminary purchase price as per the agreement is $76 million excluding CAPEX reimbursement, and an additional $168 million reimbursement of CAPEX essentially for the first project under construction. We expect the first project to be COD in Q3 2025, the second project early 2026 and the last project in 2027. The projects benefit from 20-22 year busbar PPAs with investment grade utilities.

On 17 December 2024 the Sale and Purchase agreement for the acquisition of two late stage hybrid PV and BESS in construction assets located in Northern Chile with PV gross capacity of 452 MW and BESS gross capacity of 400MW, was signed. The preliminary purchase price as per the agreement is $270 million, including $161 million development premium and $109m reimbursement of CAPEX. The first phase of the portfolio is operational (103 MW of PV) with the remainder is under construction which will become operational in phases between 2025 and early 2026. The projects benefit from a 15 year PPA with an investment grade counterpart.

On 17 December 2024 the Membership Interest Purchase agreement for the acquisition of a late stage, fully permitted PV + BESS development asset in Arizona (United States of America) with gross capacity of 888 MW, was signed. The purchase price was $8 million and the acquisition closed on 18 December 2024. All other milestones are in ContourGlobal's control and in particular subject to the signing of power purchase agreements.

On 10 December 2024 we successfully completed the refinancing of our existing US natural gas portfolio of power generating assets. The refinancing replaces our existing US financing with outstanding nominal debt of $281.1 million with a $612 million total transaction comprising of $436 million term loan, $147 million project LC facility, $18 million DSR LC facility and $10 million revolving credit facility.

<u>Annex B</u>

Audited Financial Statements as of and for the Year Ended December 31, 2023

Independent auditor's report to the members of ContourGlobal Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of ContourGlobal Limited (the 'Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement and other comprehensive income;
- the consolidated statement of financial position and Company balance sheet;
- the consolidated and Company statements of changes in equity;
- the consolidated statement of cash flow;
- Notes to financial statements which includes description of significant accounting policies; and
- the related notes 1 to 1.41.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, in-house legal counsel and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and relevant tax legislations; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. This includes the relevant environmental regulations across the countries where the Group's assets operate in.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax, valuation and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

Revenue recognition (Group)
There is a heightened risk identified in revenue recognition, where it has direct impact on the Group's Adjusted EBITDA given it is a key management performance metric as disclosed in the Strategic Report. We noted various risk factors in relation to revenue recognition across the Group due to its different revenue streams and the diversified markets in which it operates.

Our audit procedures done by both group audit team and component audit teams included the following:

- obtained and read copies of key underlying sales and revenue related agreements;
- assessed whether the revenue recognition policies adopted by each in-scope component is compliant with the underlying agreements and relevant accounting standards;
- obtained an understanding of the relevant controls relating to the recognition of revenue;
- performed testing of a sample of journal entries related to revenue that were deemed unusual or that might be indicative of fraud; and
- tested the accuracy of amounts recorded as revenue by agreeing a sample of invoices issued to customers and /or through confirmation from counterparties and confirmed the application of terms and conditions to those in the underlying PPA's/other relevant agreements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing the financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the Group and of the Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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

G. Hollis

Graham Hollis, ACA
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
14 March 2024

Consolidated Financial Statements

CONTOURGLOBAL LIMITED

As of 31 December, 2023

TABLE OF CONTENTS

Consolidated statement of income and other comprehensive income

As of 31 December, 2023

In $ millions	Note	Years ended 31 December 2023	2022
Revenue	**1.9**	**2,362.9**	**2,828.3**
Cost of sales	1.10	(1,837.6)	(2,318.6)
Gross profit		**525.3**	**509.7**
Selling, general and administrative expenses	1.10	(29.1)	(38.0)
Other operating income		17.3	18.9
Other operating expenses		(16.0)	(3.4)
Impairment of assets	1.16	(70.1)	-
Acquisition, disposal and other transactions related items	1.12	(12.8)	(49.2)
Profit on acquisition / disposal of power generating plants	1.6	6.2	138.0
Income from operations		**420.8**	**576.0**
Share of profit in associates	1.18	4.3	16.3
Finance income	1.13	30.7	12.0
Finance costs	1.13	(335.8)	(254.3)
Net foreign exchange (losses) and gains and change in fair value of derivatives	1.13	(93.9)	10.5
Profit before income tax		**26.1**	**360.5**
Income tax expenses	1.14	(79.3)	(107.0)
Net (loss) / profit for the period		**(53.2)**	**253.5**
(Loss) / profit for the period attributable to			
- Equity shareholders of the Company		(77.2)	231.3
- Non-controlling interests		24.0	22.2

In $ millions	Years ended 31 December 2023	2022
Net (loss) / profit for the period	**(53.2)**	**253.5**
Changes in actuarial gains and losses on retirement benefit, before tax	(0.1)	0.8
Deferred taxes on changes in actuarial gains and losses on retirement benefit	-	(0.1)
Items that will not be reclassified subsequently to income statement	**(0.1)**	**0.7**
(Loss) / gain on hedging transactions	(67.5)	159.8
Cost of hedging reserve	-	(0.2)
Deferred taxes on (loss) / gain on hedging transactions	13.2	(41.6)
Reclassification of currency translation differences to profit or loss on disposal of Brazil Hydro assets (note 1.6)	-	17.8
Currency translation differences	19.5	74.3
Items that may be reclassified subsequently to income statement	**(34.8)**	**210.1**
Other comprehensive (loss) / profit for the period net of tax	**(34.9)**	**210.8**
Total comprehensive (loss) / profit for the period	**(88.1)**	**464.3**
Attributable to		
- Equity shareholders of the Company	(106.4)	430.6
- Non-controlling interests	18.3	33.7

Consolidated statement of financial position

As of 31 December, 2023

In $ millions	Note	31 December, 2023	31 December, 2022
Non-current assets		**3,854.2**	**4,517.1**
Intangible assets and goodwill	1.15	223.3	279.2
Property, plant and equipment	1.16	3,197.8	3,737.0
Finance lease and financial concession assets	1.17	323.4	346.4
Investments in associates	1.18	-	13.0
Derivative financial instruments	1.20	17.2	61.9
Other non-current assets	1.23	46.9	40.9
Deferred tax assets	1.14	45.6	38.7
Current assets		**1,607.5**	**1,745.0**
Inventories	1.24	545.8	763.9
Finance lease and financial concession assets	1.17	17.4	23.0
Trade and other receivables	1.25	409.3	348.5
Current income tax assets		11.0	13.0
Derivative financial instruments	1.20	30.4	35.4
Other current assets	1.26	55.4	51.6
Cash and cash equivalents	1.27	538.2	509.6
Assets held for sale		**539.5**	**-**
Total assets		**6,001.2**	**6,262.1**

In $ millions		31 December, 2023	31 December, 2022
Total equity and non-controlling interests		**(3.8)**	**641.7**
Issued capital	1.28	8.8	8.8
Share premium		380.8	380.8
Retained earnings and other reserves		(552.1)	116.7
Non-controlling interests	1.29	158.7	135.4
Non-current liabilities		**4,378.5**	**4,004.9**
Borrowings	1.30	3,758.2	3,399.5
Derivative financial instruments	1.20	107.2	22.1
Deferred tax liabilities	1.14	376.1	363.6
Provisions	1.32	66.6	61.2
Other non-current liabilities	1.31	70.4	158.5
Current liabilities		**1,204.5**	**1615.5**
Trade and other payables	1.34	661.9	849.0
Borrowings	1.30	311.1	424.8
Derivative financial instruments	1.20	6.5	16.0
Current income tax liabilities		35.3	43.5
Provisions	1.32	6.6	12.4
Other current liabilities	1.35	183.1	269.8
Liabilities held for sale		**422.0**	**-**
Total liabilities		**6,005.0**	**5,620.4**
Total equity and non-controlling interests and liabilities		**6,001.2**	**6,262.1**

The financial statements on pages 48 to 137 were approved by the Board of Directors and authorised for issue on 14 March 2024 and signed on its behalf by Laurent Hullo, Chief Financial Officer:

Consolidated statement of changes in equity

As of 31 December, 2023

In $ millions	Share capital	Share premium	Treasury shares	Currency Translation Reserve	Hedging reserve	Cost of hedging reserve	Actuarial reserve	Retained earnings	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance as of 31 December, 2021	**8.9**	**380.8**	**(37.8)**	**(150.0)**	**(54.3)**	**(1.7)**	**(2.4)**	**65.5**	**209.0**	**161.5**	**370.5**
Balance as of 1 January, 2022	**8.9**	**380.8**	**(37.8)**	**(150.0)**	**(54.3)**	**(1.7)**	**(2.4)**	**65.5**	**209.0**	**161.5**	**370.5**
Profit for the period	-	-	-	-	-	-	-	231.3	**231.3**	22.2	**253.5**
Reclassification to profit or loss on disposal of Brazil Hydro assets	-	-	-	17.8	-	-	-	-	**17.8**	-	**17.8**
Other comprehensive profit	-	-	-	72.8	108.2	(0.2)	0.7	-	**181.5**	11.5	**193.0**
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**90.6**	**108.2**	**(0.2)**	**0.7**	**231.3**	**430.6**	**33.7**	**464.3**
Purchase of treasury shares (note 1.28)	(0.1)	-	37.8	-	-	-	-	(37.7)	-	-	-
Employee share schemes	-	-	-	-	-	-	-	5.8	**5.8**	-	**5.8**
Acquisition and contribution of non-controlling interest not resulting in a change of control (note 1.6)	-	-	-	-	-	-	-	(12.9)	**(12.9)**	(8.5)	**(21.4)**
Dividends (note 1.28)	-	-	-	-	-	-	-	(126.1)	**(126.1)**	(25.2)	**(151.3)**
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	(26.2)	**(26.2)**
Other	-	-	-	-	-	-	-	(0.1)	**(0.1)**	0.1	-
Balance as of 31 December, 2022	**8.8**	**380.8**	**-**	**(59.4)**	**53.9**	**(1.9)**	**(1.7)**	**125.8**	**506.3**	**135.4**	**641.7**
Balance as of 1 January, 2023	**8.8**	**380.8**	**-**	**(59.4)**	**53.9**	**(1.9)**	**(1.7)**	**125.8**	**506.3**	**135.4**	**641.7**
(Loss) / profit for the period	-	-	-	-	-	-	-	(77.2)	**(77.2)**	24.0	**(53.2)**
Other comprehensive profit / (loss)	-	-	-	14.2	(43.3)	-	(0.1)	-	**(29.2)**	(5.7)	**(34.9)**
Total comprehensive profit / (loss) for the period	**-**	**-**	**-**	**14.2**	**(43.3)**	**-**	**(0.1)**	**(77.2)**	**(106.4)**	**18.3**	**(88.1)**
Acquisition of non-controlling interest resulting in a change of control (note 1.6)	-	-	-	-	-	-	-	(23.2)	**(23.2)**	23.2	-
Dividends (note 1.28)	-	-	-	-	-	-	-	(539.2)	**(539.2)**	(15.9)	**(555.1)**
Transaction with non-controlling interests (note 1.29)	-	-	-	-	-	-	-	-	-	(2.3)	**(2.3)**
Balance as of 31 December, 2023	**8.8**	**380.8**	**-**	**(45.2)**	**10.6**	**(1.9)**	**(1.8)**	**(513.8)**	**(162.5)**	**158.7**	**(3.8)**

Consolidated statement of cash flows

As of 31 December, 2023

In $ millions	Note	Years ended 31 December 2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
Net (loss) / profit		**(53.2)**	**253.5**
Adjustment for:			
Depreciation and amortisation expense	1.10	393.1	361.2
Impairment of assets	1.16	70.1	-
Change in provisions		2.6	(3.6)
Share of profit in associates	1.18	(4.3)	(16.3)
Net foreign exchange gains and change in fair value of derivatives	1.13	93.9	(10.5)
Interest expenses - net	1.13	213.9	177.1
Other financial items	1.13	91.1	65.1
Income tax expense	1.14	79.3	107.0
Mexico CHP fixed margin swap	1.8	(22.7)	(2.9)
Change in finance lease and financial concession assets	1.8	31.3	34.3
Gain on Brazil hydro sale	1.7	-	(121.2)
Gain on deemed disposal of Termoemcali	1.6	(6.2)	-
Gain on deemed disposal of Sochagota	1.7	-	(16.8)
Other items		12.0	(2.6)
Change in working capital		(58.1)	49.0
Income tax paid		(93.7)	(61.0)
Non-cash tax item	1.7	-	(29.1)
Contribution received from associates	1.18	0.5	1.8
Net cash generated from operating activities		**749.6**	**785.0**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(145.1)	(129.3)
Purchase of intangibles		(10.7)	(6.1)
Acquisition of subsidiaries, net of cash received	1.6	(10.6)	(12.1)
Sale of subsidiaries, net of divested cash	1.7	-	125.9
Other investing activities		37.7	5.1
Net cash used in investing activities		**(128.7)**	**(16.5)**
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid		-	(126.1)
Proceeds from borrowings	1.30	1,733.8	396.4
Repayment of borrowings	1.30	(1,871.2)	(565.6)
Debt issuance costs		(36.6)	(12.3)
Interest paid		(241.2)	(172.9)
Cash distribution to non-controlling interests	1.29	(21.8)	(16.6)
Dividends paid to non-controlling interest holders	1.29	(14.8)	(23.5)
Transactions with non-controlling interest holders, cash received	1.29	-	6.1
Transactions with non-controlling interest holders, cash paid	1.29	(43.0)	(102.0)
Other financing activities and derivatives		(42.0)	(69.5)
Net cash used in financing activities		**(536.8)**	**(686.0)**
Exchange gains on cash and cash equivalents		**25.7**	**45.6**
Net change in cash and cash equivalents		**109.8**	**128.1**
Cash & cash equivalents at beginning of the period		**509.6**	**381.5**
Included in cash and cash equivalents in the balance sheet		**509.6**	**369.1**

The accompanying notes are an integral part of these consolidated financial statements

Included in assets held for sale	**-**	**12.4**
Cash & cash equivalents at end of the period	**619.4**	**509.6**
Included in cash and cash equivalents in the balance sheet	**538.2**	**509.6**
Included in the assets held for sale	**81.2**	**-**

1. *Notes to the consolidated financial statements*

1.1. General information

ContourGlobal Limited (the 'Company') together with its subsidiaries (the 'Group') is a private company, domiciled in the United Kingdom and incorporated in England and Wales. It is the holding company for the Group whose principal activities during the period were the operation of wholesale power generation businesses with thermal and renewables assets in Europe, Latin America, United States of America and Africa, and its registered office is:

Tintagel House
92 Albert Embankment
London
SE1 7TY
United Kingdom

Registered number: 10982736

The Group develops, acquires, operates and manages wholesale power generation businesses on four continents. It focuses on both underserved or niche markets and developed markets and evaluates projects based on individual merit pursuing greenfield, brownfield as well as acquisition opportunities as they arise. The Group actively collaborates with governments, multilateral financial institutions, manufacturers, contractors and other power and non-power industry participants to provide innovative solutions to the challenge of providing clean, reliable electricity.

The Group consists of a diversified portfolio of operating power plants, power plants under construction, as well as projects in pre-construction phase located in four broad geographic areas: Europe, Latin America, United States of America and Africa. It is comprised of 100% owned and/or majority controlled subsidiaries as well as investments in which the Company holds a non-controlling interest.

The Group's main corporate offices are in London (United Kingdom), Luxembourg (Luxembourg), Paris (France), Milan (Italy), Sao Paulo (Brazil), Madrid (Spain) and Vienna (Austria) and these offices provide administrative and technical support to operations and development activities.

Basis of preparation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. ContourGlobal Limited transitioned to UK-adopted International Accounting Standards in its consolidated financial statements on 1 January 2021.

The consolidated financial statements have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The consolidated financial statements have been prepared on the going concern basis under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The financial information is presented in millions of US dollars, with one decimal. Thus numbers may not sum precisely due to rounding.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out in note 1.4. These policies have been consistently applied to the periods presented, unless otherwise stated.

The financial information presented is at and for the financial years ended 31 December 2023 and 31 December 2022. Financial year ends have been referred to as 31 December throughout the consolidated financial statements as this is the accounting reference date of ContourGlobal Limited. Financial years are referred to as 2023 and 2022 in these consolidated financial statements.

The preparation of the IFRS financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates, as noted in the critical accounting estimates and judgements in note 1.5.

Going concern

The Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that both the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of signing this report. The assessment performed by the Directors covers the period until 30 June 2025 and considers the ongoing liquidity requirements including the Euro Bond and 'Midco' term loan group financings and the associated covenant compliance. Refer to Note 1.19 for our consideration of liquidity risks and Note 1.30 for further details of these borrowings.

The assessment, which includes plausible downside scenarios, is based on future forecasts and projections of the Group's and the Company's financial resources and the ability of the Group's assets to generate free cash flow. In both the base case and the severe but plausible downside sensitivity scenario, the forecasts indicate that there is sufficient headroom and liquidity for the business to continue based on the facilities available to the Group. In each of these scenarios, the Group is also forecast to be in compliance with the required covenants on the aforementioned borrowing facilities.

As a consequence of the assessment performed, the Directors have concluded that there is a reasonable expectation that both the Group and the Company are well placed to manage their business risks and to continue to meet their obligations as they fall due for the foreseeable future (being at least for the 12 month period from the approval date of these financial statements). Accordingly, the Directors continue to adopt the going concern basis in preparing both the consolidated and Company financial statements.

1.2. Application of new and revised International Financial Reporting Standards (IFRS)

The Group has applied the accounting standard amendments for the first time for their annual reporting period commencing 1 January 2023:

- IFRS 17 Insurance Contracts;
- IAS 1 Presentation of Financial Statements – Amendments;
- IAS 12 Income Taxes – Amendments;
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments.

There was no material impact from the application of these amendments in the current or prior period.

1.3. New standards and interpretations not yet mandatorily applicable

A number of additional new standards and amendments and revisions to existing standards have been published which will apply to the Group's future accounting periods. None of these are expected to have a significant impact on the consolidated results, financial position or cash flows of the Group when they are adopted.

1.4. Summary of significant accounting policies

Principles of consolidation

The consolidated financial statements include both the assets and liabilities, and the results and cash flows, of the Group and its subsidiaries and the Group's share of the results and the Group's investments in associates.

Inter-company transactions and balances between Group companies are eliminated.

(a) Subsidiaries

Entities over which the Group has the power to direct the relevant activities so as to affect the returns to the Group, generally through control over the financial and operating policies, are accounted for as subsidiaries. Interests acquired in subsidiaries are consolidated from the date the Group acquires control.

(b) Associates

Where the Group has the ability to exercise significant influence over entities, generally from a shareholding of between 20% and 50% of the voting rights, they are accounted for as associates. The results and assets and liabilities of associates are incorporated into the consolidated financial statements using the equity method of accounting.

The Group determines at each reporting date whether there is objective evidence that the investment in the associate is impaired. If there is evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in the associate and its carrying value and recognises this amount in the consolidated statement of income.

Business combinations

The acquisition consideration is measured at fair value which is the aggregate of the fair values of the assets transferred, the liabilities incurred or assumed and the equity interests issued in exchange for control. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Adjustments to consideration within the 12 month measurement period post acquisition as allowed under IFRS are recognised against goodwill, where applicable. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognised in the consolidated statement of income. Where the consideration transferred, together with the non-controlling interest, exceeds the fair value of the net assets, liabilities and contingent liabilities acquired, the excess is recorded as goodwill. Acquisition related costs are expensed as incurred and classified as "Acquisition related items" in the consolidated statement of income.

Goodwill is capitalized as a separate item in the case of subsidiaries and as part of the cost of investment in the case of associates. Goodwill is denominated in the functional currency of the operation acquired.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the income statement.

Changes in ownership interests in subsidiaries without change of control

In line with IFRS 10 "Consolidated financial statements", transactions with non-controlling interests that do not result in a gain or loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners.

In the case of an acquisition of non-controlling interest that does not result in a gain of control, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

In the case of a sale of non-controlling interests that do not result in a loss of control ("sell-down"), the net cash gain on sale of these assets are recorded as an increase in the equity attributable to owners of the parent and corresponds to the difference between the consideration received for the sale of shares and of the carrying amount of non-controlling interest sold. Consistent with this approach, subsequent true-ups to earn-outs in the context of sell-down transactions are also recorded in equity. The net cash gain or loss on sell-down is presented in Adjusted EBITDA, as disclosed in note 1.8.

Non-current assets and disposal groups held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. Assets and liabilities of a disposal group classified as held for sale are presented separately on the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Functional and presentation currency and currency translation

The assets and liabilities of foreign undertakings are translated into US dollars, the Group's presentation currency, at the year-end exchange rates. The results of foreign undertakings are translated into US dollars at the relevant average rates of exchange for the year. Foreign exchange differences arising on retranslation of opening net assets, and the difference between average exchange rates and year end exchange rates on the result for the year are recognised directly in the currency translation reserve.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised at year end exchange rates in the consolidated statement of income line which most appropriately reflects the nature of the item or transaction.

The following table summarizes the main exchange rates used for the preparation of the consolidated financial statements of ContourGlobal:

	CLOSING RATES Year ended 31st December		AVERAGE RATES Year ended 31st December	
Currency	2023	2022	2023	2022
EUR / USD	1,1039	1.0706	1,0816	1.0542
BRL / USD	0,2066	0.1917	0,2004	0.1941
BGN / USD	0,5644	0.5474	0,5530	0.5390
MXN / USD	0,0592	0.0515	0,0564	0.0497

When a foreign undertaking is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Operating and reportable segments

The Group's reporting segments reflect the operating segments which are based on the organizational structure and financial information provided to the Chief Executive Officer, who represents the chief operating decision-maker ("CODM"). Following the acquisition of ContourGlobal by KKR in December 2022 an organizational restructure took place which resulted in a change in internal Management structures. This change was from a technology based Management structure (with performance monitored on a Thermal and Renewable segment basis) to a geographical Management structure with the two key segments being Americas and Europe & Africa.

The principal profit measure used by the CODM is "Adjusted EBITDA" as defined in note 1.8. A segmented analysis of "Adjusted EBITDA" is provided in note 1.8 to the consolidated financial statements.

Revenue recognition

The Group revenue is mainly generated from the following:

(i) revenue from power sales;
(ii) revenue from operating leases;
(iii) revenue from financial assets (concession and finance lease assets); and
(iv) other revenue such as environmental, operational and maintenance services rendered to offtakers.

Revenue from operating leases is recognised under IFRS 16, revenue from financial assets is recognised under IFRS 16 and IFRIC 12, and revenue from power sales and other revenue are recognised under IFRS 15.

Revenue recognition in accordance with IFRS 15, 'Revenues from contracts with customers' is based on the transfer of control, i.e. the notion of control is used to determine when a good or service is transferred to the customer. In accordance with this, the Group has adopted a single comprehensive model for the accounting for revenues from contracts with customers, using a five-step approach for revenue recognition: (1) identifying the contract; (2) identifying the performance obligations in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligations in the contract; and (5) recognising revenue when the Group satisfies a performance obligation.

Based on this recognition model, sales are recognised when goods are delivered to the customer and have been accepted by the customer, even if they have not been invoiced, or when services are rendered, and it is probable that the economic benefits associated with the transaction will flow to the entity. Revenue for the year includes the estimate of the energy supplied that has not yet been invoiced.

When determining the transaction price, the Group considers the effects of the variable consideration, the constraining estimates of variable consideration, the existence of a significant financing component in the contract, the non-cash consideration and the consideration payable to a customer.

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items. The Group considers the impact of any potential penalties for breaching minimum performance levels of the Group's power plants when assessing revenue recognised.

Certain of the Group's power plants sell their output under Power Purchase Agreements ("PPAs") and other long-term arrangements. Under such arrangements it is usual for the Group to receive payment for the provision of electrical capacity or availability whether or not the offtaker requests the electrical output (capacity payments) and for the variable costs of production (energy payments). In such situations, revenue is recognised in respect of capacity payments as:

a) Service income in accordance with the contractual terms, to the extent that the capacity has been made available to the contracted offtaker during the period and / or energy produced and delivered in the period. This income is recognised as part of revenue from power sales;

b) Financial return on the operating financial asset where the PPA is considered to be or to contain a finance lease or where the contract is considered to be a financial asset under interpretation IFRIC 12: "Service concession arrangements".

c) Service income related to environmental, operational and maintenance services rendered to offtakers are presented as part of Other revenue.

Under finance lease arrangements, those payments which are not included within minimum lease payments are accounted for as service income (outlined in (a) above).

Energy payments under PPAs are recognised in revenue in all cases as the contracted output is delivered.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Concession arrangements

The interpretation IFRIC 12 governs accounting for concession arrangements. An arrangement within the scope of IFRIC 12 is one which involves a private sector entity (known as "an operator") constructing infrastructure used to provide a public service, or upgrading it (for example, by increasing its capacity) and operating and maintaining that infrastructure for a specified period of time.

IFRIC 12 applies to public-to-private service concession arrangements if:

(a) The "grantor" (i.e. the public sector entity – the offtaker) controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price, and

b) The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement. Infrastructure used in a public-to-private service concession arrangement for its entire useful life (a whole of life asset) is within the scope of IFRIC 12 if the conditions in a) are met.

Under concession arrangements within the scope of IFRIC 12, which comply with the "financial asset" model requirements, the operator recognises a contract asset, attracting revenue in consideration for the services it provides (design, construction, etc.), to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services; the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if payment is contingent on the Group ensuring that the infrastructure meets specified quality or efficiency requirements. This model is based on input assumptions such as budgets and cash flow forecasts. Any change in these assumptions may have a material impact on the measurement of the recoverable amount and could result in reducing the value of the asset. Such contract assets are recognised in the consolidated statement of financial position in an amount corresponding to the fair value of the infrastructure on first recognition and subsequently at amortised cost less impairment losses. The receivable is settled by means of the grantor's payments being received. The financial income calculated on the basis of the effective interest rate, equivalent to the project's internal rate of return, is reflected within the "Revenue from concession and finance lease assets" line in note 1.9. Cash outflows relating to the acquisition of contract assets under concession agreements are presented as part of cash flow from investing activities. Net cash inflows generated by the contract assets' operations are presented as part of cash flow from operating activities.

For purchase power arrangements, revenue for service income is generally recognised as billed after excluding the portion of the payment that is allocated to cover the return on financial assets arising from service concession arrangements as described above. We have therefore not disclosed the transaction price allocated to unsatisfied contracts based as permitted by paragraph 121 of IFRS 15.

Share-based compensation plans

The share-based payment charge arises from the Long Term Incentive Plan (LTIP) which is applicable to senior executives and senior and middle management. Shares issued under the schemes vest subject to continued employment within the Group and satisfaction of the non-market performance conditions. Employees leaving prior to the vesting date will normally forfeit their rights to unvested share awards. The fair value of the awards is measured using the market value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis together with a corresponding increase in equity over the vesting period, based on the Group's estimate of the number of awards that will vest, and adjusted for the effect of non-market-based vesting conditions.

Following the delisting from the London Stock Exchange done on 21 December 2022, there is no more Long Term Incentive Plan.

Acquisition, disposal and other transactions related items

Acquisition related items expenses that are recognised immediately in the profit or loss including pre-acquisition costs (such as professional fees and due diligence costs), earn-outs and other related incremental costs incurred as part of completed or contemplated acquisitions.

Finance income and finance costs

Finance income primarily consists of interest income on funds invested. Finance costs primarily comprise interest expense on borrowings, unwinding of the discount/step up on finance and provisions, interests and penalties that arise from late payments of suppliers or taxes, bank charges, differences between the historically estimated and actual dividends of the debt payable to non-controlling interests in our Bulgarian power plant, changes in the fair value of derivatives not qualifying for hedge accounting and net foreign exchange gains and losses.

Intangible assets and goodwill

Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. A CGU is determined as a group of assets at a country level using shared technology which is typically the case for solar and wind assets.

The reporting units (which generally correspond to power plants) or group of reporting units have been identified as its cash-generating units.

Goodwill impairment reviews are undertaken at least annually.

Intangible assets

Intangible assets include licenses, permits, contracts, project development rights when specific rights are acquired and software. Intangible assets separately acquired in the normal course of business are recorded at historical cost, and intangible assets acquired in a business combination are recognised at fair value at the acquisition date. When the power plant achieves its commercial operations date, the related intangible assets are amortised using the straight-line method generally over the life of the PPA or over the duration of the permits, licenses and contracts granted, generally over 15 to 20 years (excluding software). Software is amortised over 1 to 3 years.

Property, plant and equipment

Initial recognition and subsequent measurement

Property, plant and equipment are stated at historical cost, less depreciation and impairment, or at fair value at the acquisition date if acquired in the context of a business combination. Historical cost includes an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has a present legal or constructive obligation to do so. In the context of a business combination the fair value valuation is usually based on an income-approach based method.

Property, plant and equipment recognised as right-of-use assets under IFRS 16 are measured at cost less depreciation, impairment and adjustments to certain remeasurements of the lease liability.

Costs relating to major inspections and overhauls are capitalized and any remaining carrying amount of the cost of the previous overhaul is derecognised when new expenditure is capitalized. Minor replacements, repairs and maintenance, including planned outages to our power plants that do not improve the efficiency or extend the life of the respective asset, are expensed as incurred.

The Group capitalizes certain direct pre-construction costs associated with its power plant project development activities when it has been determined that it is more likely than not that the opportunity will result in an operating asset. Factors considered in this determination include (i) the availability of adequate funding, (ii) the likelihood that the Group will be awarded the project or the barriers are not likely to prohibit closing the project, and (iii) there is an available market and the regulatory, environmental and infrastructure requirements are likely to be met. Capitalized pre-construction costs include initial engineering, environmental and technical feasibility studies, legal costs, permitting and licensing and direct internal staff salary and travel costs, among others. Pre-construction costs are expensed if a project is abandoned or if the conditions stated above are not met.

Construction work in progress (“CWIP”) assets are transferred out of CWIP when construction is substantially completed and the power plant achieves its commercial operations date (“COD”), at which point depreciation commences.

Borrowing costs directly attributable to construction of a qualifying assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Depreciation

Property, plant and equipment are depreciated to their estimated residual value using the straight-line method over the following estimated useful lives:

	Useful lives as of 31 December, 2022 and 2023
Power plant assets	
Lignite, coal, gas, oil, biomass power plants	3 to 32 years
Hydro plants and equipment	24 to 67 years
Wind farms	16 to 25 years
Tri and quad-generation combined heat power plants	15 to 23 years
Solar plants	11 to 20 years

Useful economic lives are assessed on acquisition to reflect the remaining lives of plants from the date of acquisition by the Group.

The residual values and useful lives are reviewed at least annually taking into account a number of factors such as operational and technical risks, and risks linked to climate change (for example from emerging government policies) and if expectations differ from previous estimates, the remaining useful lives are reassessed and adjustments are made. In the case of assets acquired as part of a business combination, the remaining useful lives are assessed at the acquisition dates by performing technical due diligence procedures.

'Generation plants and equipment' and 'Other property, plant and equipment' categories are presented respectively under 'Power plant assets' and 'Other' in note 1.16.

See below for the Group's depreciation policy on right-of-use assets.

The range of useful lives is due to the diversity of the assets in each category, which is partly due to acquired assets and from asset's groupings.

Where a power purchase agreement ("PPA") acquired as part of business combination is deemed to contain an operating lease, the company depreciates separately the amounts reflected in the acquired fair value of that Property Plant & Equipment that are attributable to favorable or unfavorable lease terms relative to market terms. Such amounts are depreciated over the term of the related PPA (2 to 12 years).

Leases

The Group applies IFRS 16 "Leases" and leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Accounting for a lease as a lessee - Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Group is exposed to potential future increases in variable lease payments which are linked to gross revenues or based on an index or rate. No right of use assets or corresponding lease liability is recognised in respect of variable consideration leases which are linked to gross revenues. Variable lease payments that depend on gross revenues are recognised in the statement of income in the period in which the related revenue is generated.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases (less than 12 months) of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of income.

Accounting for arrangements that contain a lease as lessor - PPA's and other long-term contracts may contain, or may be considered to contain, leases where the fulfilment of the arrangement is dependent on the use of a specific asset such as a power plant and the arrangement conveys to the customer the right to use that asset. Such contracts may be identified as either operating leases or finance leases.

(i) Accounting for finance leases as lessor

Where the Group determines that the contractual provisions of a long-term PPA contain, or are, a lease and result in the offtaker assuming the principal risks and rewards of ownership of the power plant, the arrangement is a finance lease. Accordingly the assets are not reflected as property, plant and equipment and the net investment in the lease, represented by the present value of the amounts due from the lessee is recorded within financial assets as a finance lease receivable.

The capacity payments as part of the leasing arrangement are apportioned between minimum lease payments (comprising capital repayments relating to the plant and finance income) and service income. The finance income element is recognised as revenue, using a rate of return specific to the plant to give a constant rate of return on the net investment in each period. Finance income and service income are recognised in each accounting period at the fair value of the Group's performance under the contract.

(ii) Accounting for operating leases as lessor

Where the Group determines that the contractual provisions of the long-term PPA contain, or are, a lease, and result in the Group retaining the principal risks and rewards of ownership of the power plant, the arrangement is an operating lease. For operating leases, the power plant is, or continues to be, capitalized as property, plant and equipment and depreciated over its useful economic life. Rental income from operating leases is recognised on an output basis over the term of the arrangement.

Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed annually for indicators of impairment where events or changes in circumstances indicate that carrying values may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal (market value) and value in use determined using estimates of discounted future net cash flows of the asset or group of assets to which it belongs. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units).

Financial assets

Classification of financial assets

The Group classifies its financial assets in the following categories: at fair value through profit and loss and at amortised cost.

a) Financial assets at fair value through profit and loss

Financial assets have been acquired principally for the purpose of selling, or being settled, in the short term. Financial assets at fair value through statement of income are "Cash and cash equivalents" when held in money market funds and derivatives held for trading unless they are designated as hedges.

b) Financial assets held at amortised cost

These financial assets are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, and are measured at amortised cost. They are included in current assets, except those that mature greater than 12 months after the end of the reporting period, which are classified in non-current assets. The Group's financial assets and amortised costs comprise "Trade and other receivables", "Finance lease and financial concession assets" and "Cash and cash equivalents" that are not required to be carried at fair value through statement of income in the consolidated statement of financial position.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Recognition and measurement

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset).

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of income, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the statement of income are expensed in the consolidated statement of income and other comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

a) Financial assets at fair value through statement of income

Gains or losses on financial assets at fair value through statement of income are recognised in the consolidated statement income and other comprehensive income. These are presented within finance income and finance costs respectively.

b) Financial assets held at amortised cost

These financial assets are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, and are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in finance income or finance costs.

Impairment

For trade receivables, finance lease and financial concession assets, the Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Allowances for expected credit losses are made based on the risk of non-payment taking into account ageing, previous experience, economic conditions, existing insurance policies and forward looking data. Political risk insurance (PRI) policies are factored into this assessment due to being closely related insurance policies for which cash flows have been factored into the expected credit loss calculations (including risk of default on insurance provider) and presented on a net basis. Such allowances are measured as either 12-months expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

While the financial assets of the Group are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group has three types of financial assets that are subject to the expected credit loss model:

(1) Trade and other receivables

(2) Finance lease and financial concession assets

(3) Other financial assets

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss has been identified.

Derivative financial instruments and hedging activities

Derivative instruments are measured at fair value upon initial recognition in the consolidated statement of financial position and subsequently are re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Derivative instruments are presented according to their maturity date, regardless of whether they qualify for hedge accounting under IFRS 9 (hedging instruments versus trading instruments). Derivatives are classified as a separate line item in the consolidated statement of financial position.

As part of its overall foreign exchange and interest rate risk management policy, the Group enters into various hedging transactions involving derivative instruments.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

In connection with the Group's hedging policy, the Group uses forward exchange contracts for currency risk management as well as foreign exchange options.

The Group also hedges particular risks associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges). Notably, the Group uses interest rate swap contracts for interest rate risk management in order to hedge certain forecasted transactions and to manage its anticipated cash payments under its variable rate financing by converting a portion of its variable rate financing to a fixed rate basis through the use of interest rate swap agreements, and a cross currency swap contract for both currency and interest rate risk management.

The Group can also hedge specific risks identified such as exposure to energy spot price for example in the case of the CHP Mexico fixed margin swap which protects certain power purchase agreements against variations in the CFE tariffs.

Items qualifying as hedges

The Group formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions and the method used to assess hedge effectiveness. Hedging transactions are expected to be highly effective in achieving offsetting changes in cash flows and are regularly assessed to determine that they actually have been highly effective throughout the financial reporting periods for which they are implemented.

When derivative instruments qualify as hedges for accounting purposes, as defined in IFRS 9 "Financial instruments", they are accounted for as follows:

a) Cash flow hedges that qualify for hedge accounting

- The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity and through the consolidated statement of other comprehensive income ("OCI"). The gain or loss relating to the ineffective portion is recognised immediately within the consolidated statement of income. Amounts recognised directly in OCI are reclassified to the consolidated statement of income when the hedged transaction affects the consolidated statement of income.
- If a forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in OCI are reclassified to the consolidated statement of income as finance income or finance costs.

If a hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in OCI remain in accumulated OCI until the forecast transaction or firm commitment occurs, at which point they are reclassified to the consolidated statement of income.

b) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in net foreign exchange (losses) and gains and change in fair value of derivatives.

In connection with the Group's hedging policy, the Group uses forward exchange contracts for currency risk management as well as foreign exchange options, interest rate swap contracts for interest rate risk management in order to hedge certain forecasted transactions and to manage its anticipated cash payments under its variable rate financing by converting a portion of its variable rate financing to a fixed rate basis through the use of interest rate swap agreements, and a cross currency swap contract for both currency and interest rate risk management.

Inventories

Inventories consist primarily of power generating plant fuel, non-critical spare parts that are held by the Group for its own use and emission quotas (see below). Inventories are stated at the lower of cost, using a first-in, first-out method, and net realizable value, which is the estimated selling price in the ordinary course of business, less applicable selling expenses.

Emission quotas

Some companies of the Group emit CO2 and have as a result obligations to buy emission quotas on the basis of local legislation. The emissions made by the companies emitting CO2 which are in excess of any allocated quotas are purchased at free market price and shown as inventory before their effective use. If emissions are higher than allocated quotas, the companies recognise an expense and respective liability for those emissions at prevailing market value.

The Group presents the quotas in Inventory which reflects the fact that the cost to purchase the quotas is part of the production cost and linked to the production output rather than the plant itself. The quotas directly contribute to revenue as the cost of quotas is billed on to the customer as a pass-through cost. The Group expects to realize the asset within 12 months after the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions and short-term investments, all of which are readily convertible to cash and are subject to insignificant risk of changes in value and have an original maturity of three months or less. Bank overdrafts are included within current borrowings. Cash and cash equivalents also includes cash deposited on accounts to cover for short-term debt service of certain project financings and which can be drawn for short term related needs. Money market funds comprise investment in funds that are subject to an insignificant risk of changes in fair value.

Maintenance reserves held for the purpose of covering long-term major maintenance and long-term deposits kept as collateral to cover decommissioning obligations are excluded from cash and cash equivalents.

Share capital and share premium

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

The premium received on the issue of shares in excess of the nominal value of shares is credited to the share premium account and included within shareholders’ equity.

Treasury shares

The Group’s treasury shares are included under “Treasury shares” in the consolidated statement of financial position and are measured at acquisition cost.

The treasury shares are removed from Other reserves when utilised or cancelled. This results in a reclassification of the carrying value to Retained Earnings

The Group buys and sells treasury shares in accordance with the prevailing law and the resolutions of the General Shareholders’ Meeting. Such transactions include sale and purchase of company shares.

Following the delisting from the London Stock Exchange on December 21, 2022, the Group holds no Treasury shares.

Financial liabilities

a) Borrowings

Borrowings are recognised initially at fair value of amounts received, net of transaction costs. Borrowings are subsequently measured at amortised cost using the effective interest method; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of income over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expires.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

b) Trade and other payables

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the invoiced amount, and subsequently carried at amortised cost using the effective interest method.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Unless otherwise stated, carrying value approximates to fair value for all financial liabilities.

Provisions

Provisions principally relate to decommissioning, maintenance, environmental, tax and legal obligations and which are recognised when there is a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are re-measured at each statement of financial position date and adjusted to reflect the current best estimate. Any change in present value of the estimated expenditure attributable to changes in the estimates of the cash flow or the current estimate of the discount rate used are reflected as an adjustment to the provision. Any increase in provisions due to the passage of time is recognised as finance costs in the consolidated statement of income.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of income, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.5. Critical accounting estimates and judgments

The preparation of the consolidated financial statements in line with the Group's accounting policies set out in note 1.4 involves the use of judgment and/or estimation. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, giving consideration to previous experience, and are regularly reviewed and revised as necessary. Actual results may differ from the amounts included in the consolidated financial statements. The estimates and judgments that have the most significant effect on the carrying amounts of assets and liabilities are presented below.

Critical accounting judgments

Accounting for long-term power purchase agreements and related revenue recognition

When power plants sell their output under long-term power purchase agreements ("PPA"), it is usual for the operator of the power plant to receive payment (known as a "capacity payment") for the provision of electrical capacity whether or not the offtaker requests electrical output. In assessing the accounting for the PPA, there may be a degree of judgement as to whether a long-term contract to sell electrical capacity constitutes a service concession arrangement, a form of lease, or a service contract. This determination is made at the inception of the PPA, and is not required to be revisited in subsequent periods under IFRS, unless the agreement is renegotiated.

Given that the fulfilment of the PPAs is dependent on the use of a specified asset, the key judgement in determining if the PPA contains a lease is the assessment of whether the PPA conveys a right for the offtaker to obtain substantially all the economic benefit from the asset and whether the offtaker has the right to direct the use of the asset throughout the period of use.

In assessing whether the PPA contains a service concession, the Group considers whether the arrangement (i) bears a public service obligation; (ii) has prices that are regulated by the offtaker; and (iii) the residual interest is transferred to the offtaker at an agreed value.

All other PPAs are determined to be service contracts.

Concession arrangements - For those agreements which are determined to be a concession arrangement, there are judgements on initial recognition as to whether the infrastructure should be accounted for as an intangible asset or a financial asset depending on the nature of the payment entitlements established in the agreement.

Concession arrangements determined to be a financial asset – The Group recognises a financial asset when demand risk is assumed by the grantor, to the extent that the contracted concession holder has an unconditional right to receive payments for the asset. The asset is recognised at the fair value of the construction services provided. The fair value is based on input assumptions such as budgets and cash flow forecasts, future costs include maintenance costs which impact the overall calculation of the estimated margin of the project. The inputs include in particular the budget for fixed and variable costs. Any change in these assumptions may have a material impact on the measurement of the recoverable amount and could result in reducing the value of the asset. The financial asset is subsequently recorded at amortized cost calculated according to the effective interest rate method. Revenue for operating and managing the asset is recorded as other revenue in each period.

Leases - For those arrangements determined to be or to contain leases, further judgement is required to determine whether the arrangement is finance or operating lease. This assessment requires an evaluation of where the substantial risks and rewards of ownership reside, for example due to the existence of a bargain purchase option that would allow the offtaker to buy the asset at the end of the arrangement for a minimal price. Judgement has been applied based on the significance of the life of the asset remaining and the remaining net book value of the asset at the end of the lease term.

Assessing property, plant and equipment and intangible assets for impairment triggers

The Group's property, plant and equipment and intangible assets are reviewed for indications of impairment (an impairment "trigger"). Judgement is applied in determining whether an impairment trigger has occurred, based on both internal and external sources. External sources may include: market value declines, negative changes in technology, markets, economy, impact of climate changes, energy transition or laws. Internal sources may include: obsolescence or physical damage, or worse economic performance than expected, including from adverse weather conditions for renewable plants.

The Group also considers the end date of the PPAs as part of the impairment indicator analysis and assesses if the market conditions are significantly adverse such that the expiry of the PPA indicates an impairment trigger. The Group has notably considered PPA in Maritsa which end in February 2024 and combined with the change in the market outlook for merchant operations in Bulgaria concluded that an indicator of impairment was present. Refer to Note 1.16 for details.

During 2023, the Vorotan hydro business was also assessed for impairment indicators. It was concluded that due to the low level of resources experienced in recent years that an impairment indicator was present, resulting in an impairment test being performed. Refer to Note 1.16 for details.

As part of the Group's risk assessment procedures, risks associated with climate change and energy transition are evaluated on an ongoing basis, including whether market and other climate related factors could result in an indicator of impairment. We also consider when making acquisitions whether the technology being acquired and the remaining useful life of the plant could be impacted by climate related factors. The Group's PPA arrangements typically provide mechanisms to protect against movements in market prices for energy and carbon over the duration of the PPA which insulate against climate factors. Beyond the PPA period, we consider the likelihood that there could be a significant erosion of value that could result in an impairment indicator. No such indicators of impairment were identified during the year.

Provisions for claims

The Group receives legal or contractual claims against it from time to time, in the normal course of business. The Group considers external and internal legal counsel opinions in order to assess the likelihood of loss and to define the defense strategy. Judgements are made as to the potential likelihood of any claim succeeding when making a provision or disclosing a contingent liability. The timeframe for resolving legal or contractual claims may be judgemental, as is the amount of possible outflow of economic benefits.

The main judgments are related to the litigations disclosed in the note 1.38.

Functional currency of the operating assets

The Group operates in various countries and performs an analysis of the functional currency of each operating asset considering the requirements of IAS 21. In some countries, the functional currency of the operating asset may differ from the local currency when the primary indicators (such as sales and cash inflows and expenses and cash outflows) are influenced by a currency which is not the local currency.

Cash generating units ("CGUs")

A CGU is defined as the asset or smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In the case of Solar and Wind assets, typically a group of assets is at a country level using shared technology is identified as a CGU.

Judgments are made in allocating each reporting unit (which generally correspond to power plants) or group of reporting units to CGUs. The Group notably considers that the assessment of the independence of cash flows involves consideration of the businesses contractual arrangements or financing relationship between the reporting units, and how management makes decisions about continuing or disposing of the entity's assets and operations.

The definition of the CGU is critical for the purpose of assessing impairment indicators and performing impairment testing.

Regulatory changes in Mexico

Amendment to permit modification

In October 2020, CRE (Energy Regulatory Commission) issued a new resolution amending the general administrative rules to modify and transfer the "Legado" permits. This amendment included additional restrictions on including new offtakers in the "Legado" permits. The Resolution 1094 is expected to be used by CRE to reject the permit modifications required for expanding the offtakers and the load points in the "Legado" permits. CGA filed an Amparo against these changes, claiming them to be unconstitutional which was successfully granted in June 2021. Given the Amparo remains in place and having taken legal advice the Company has concluded that those changes do not constitute an indicator of impairment as at 31 December, 2023.

Power industry law (Ley de la Industria Eléctrica - LIE)

On 10 March 2021, the Mexican Government enacted reform of the Electricity Sector Act (Ley de la Industria Eléctrica the "LIE reform"). One of the proposed changes under the LIE reform is to modify the order in which electricity produced by power plants such as our assets in Mexico ("CGA" and "CELCSA") is dispatched to the National Electricity System ("Dispatch Order"),which would favor the state-owned or operated power plants and may have an adverse impact on future revenues and profits of ContourGlobal's Mexican assets. CGA and CELCSA both filed an Amparo lawsuit against this LIE reform. The Mexican First District Court granted CGA and CELCSA an injunction against the LIE reform, which prevents the application and implementation of the challenged provisions by the relevant authorities. In 2022, the appeal filed by the Mexican authorities against the admission of the Amparo claim and injunction of CGA was granted, and after challenge by CGA, is subject to review and further resolution of the Collegiate Courts. The appeal by the authorities of the granting of the amparo in favor of CELCSA was suspended pending a ruling of the Supreme Court of Justice.

On 31 January 2024, the Supreme Court of Justice ruled that the LIE amendments were unconstitutional. The LIE's reforms (which would adversely affect both CGA and CELCSA) remain suspended as to other market participants, including CGA and CELCSA.

Given the positive development in the Supreme Court of Justice, management has concluded that these potential changes do not constitute an indication of impairment (impairment "trigger") as per IAS 36 as of 31 December, 2023.

Kosovo e Re project arbitration

On 24 May 2020, ContourGlobal Kosovo LLC ("CG Kosovo"), a wholly-owned subsidiary within the ContourGlobal Group, sent a notice of termination to the Government of Kosovo (represented by the Ministry of Economy and Environment of the Government of Kosovo) (the "GoK") and other publicly owned entities, namely Kosovo Energy Corporation, J.S.C., New Kosovo Electric Company J.S.C., HPE Ibër-Lepenc, J.S.C.and Operator Sistemi, Transmission Dhe Tregu –KOSTT, SH.A., under various project documents entered into with each of those entities in respect of a project whereby CG was to build a coal-fired power plant in Kosovo. The notice of termination was sent as a result of the failure of the above-mentioned entities to meet certain obligations and conditions precedent under such project documents, which prevented the project from meeting certain required milestones by its required completion date and therefore meant the project could not go forward.

On 25 September 2020, CG Kosovo sent a formal written notice of dispute under the project documents seeking recovery of costs incurred to date, as anticipated and set out in the project contracts and capped at €19.7 million ($21.7 million) plus interest for late payment, to which CG Kosovo is entitled where the termination of the project is attributable to failures by GoK and/or the relevant publicly owned entities. On 19 November 2020, CG Kosovo filed a request for arbitration with ICSID. For procedural reasons, the arbitration was subsequently refiled before the International Chamber of Commerce's International Court of Arbitration. The arbitration took place during 2022 and on 28 August 2023 the tribunal issued its final award ordering the Government of Kosovo to pay €20.1 million in development costs and damages. In November 2023, the Government of Kosovo filed a motion before the UK High Court seeking to set aside the award. A hearing on that motion will take place on 12 April 2024. Given management's assessment of the GoK's probability of success on that motion the amount under dispute remains as a receivable on the balance sheet, and we do not consider there to be any potential impairment risk.

Assets held for sale and discontinued operations

Where a disposal group is undergoing a sale process, we consider whether or not the disposal group meets the definition of assets held for sale and discontinued operations. During 2022, a sale process was initiated for the Brazil Wind asset portfolios which resulted in a Sale and Purchase Agreement ('SPA') being signed on 5 December 2023. At year end we assessed whether this asset portfolio should be classified as held for sale and given the signed SPA and the status of the sale process we concluded that it met the requirements of IFRS 5 given the sale is subject only to customary terms and we consider the sale to be highly probable to complete in the coming twelve months.

We also considered whether the Brazil Wind portfolio constituted a discontinued operation. Given the portfolio does not constitute a major line of business or a geographical area of operations, management concluded that it does not meet the definition of a discontinued operation.

Critical accounting estimates

Estimation of useful lives of property, plant and equipment

Property, plant and equipment represents a significant proportion of the asset base of the Group, primarily due to power plants owned, being 54.6% (2022: 59.6%) of the Group's total assets. Estimates and assumptions made to determine their carrying value and related depreciation are significant to the Group's financial position and performance. The annual depreciation charge is determined after estimating an asset's expected useful life and its residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The Group derives useful economic lives based on experience of similar assets, including use of third party experts at the time of acquisition of assets, and these lives may exceed the period covered by contracted power purchase agreements.

Emerging governmental policies are also considered when reviewing the appropriateness of useful economic lives, including whether asset life assessments could be impacted by factors arising from climate transition or other regulatory and market factors. This includes consideration of government energy transition policies, and how the Group's thermal assets are expected to be used, in particular to provide a secure supply during a medium to long-term transition to renewables. In particular, during 2023 the expiration of the Maritsa PPA in February 2024 was considered together with the emerging geopolitical issues and the expected demand for coal generation. As a result, during the year, the useful life of the asset was decreased. The impact on depreciation of the decrease in the assets' useful life was not material.

A decrease in the average useful life by one year in power plant assets would result in a decrease in the net book value of $19.9 million (2022: $16.0 million).

Recoverable amount of property, plant and equipment and intangible assets

Where an impairment trigger has been identified (see critical accounting judgements section), the Group makes significant estimates in its impairment evaluations of the associated property, plant and equipment and intangible assets. The determination of the recoverable amount is typically the most judgmental part of an impairment evaluation. The recoverable amount is the higher of (i) an asset's fair value less costs of disposal (market value), and (ii) value in use determined using estimates of discounted future net cash flows ("DCF") of the asset or group of assets (cash generating unit) to which it belongs.

Management applies judgment in selecting input assumptions in its DCF models, including (but not limited to) discount rates and capacity / availability factors. These assumptions are consistent with the Group's internal budgets and forecasts for such valuations. Examples of the input assumptions that budgets and cash-flow forecasts have considered include macroeconomic factors such as energy price, inflation, exchange rates, and, in the case of renewables plants, environmental factors such as wind, solar and water resource forecast. Where a plant has a future period that is uncontracted and operating on a merchant basis, market captured price also requires estimation. Changes in these assumptions could have a material impact on the asset or cash generating unit recoverable amount and could result in further impairment or impairment reversal.

Emerging governmental policies are also considered when determining the recoverable amount of property, plant and equipment and intangible assets including the impact on DCF models arising from climate change and energy transition or other regulatory and market factors. We consider future forecasts of the key inputs to the cashflow models, such as energy, fuel and carbon pricing and whether these result in a change in useful life. Typically, during the PPA period our assets are insulated from these market risks through fixed energy pricing and the ability to pass through variations in fuel and carbon costs, hence where relevant we consider the impact on cash flows in the post PPA period.

As noted in the Critical accounting judgements above, an impairment indicator was noted in relation to the Group's Maritsa and Vorotan cash generating units as at 31 December 2023, resulting in impairment tests being performed. The key estimates applied by management are disclosed in the sensitivity analysis performed in note 1.16.

Fixed margin swap

Certain estimates are made in relation to the valuation of the fixed margin swap agreements held by CHP Mexico which protect certain power purchase agreements against variations in the Comision Federal de Electricidad ("CFE") tariffs. The valuation of this derivative is based on a number of data points, which includes both factual inputs and estimates. Refer to note 1.21 for sensitivity analysis of this instrument.

1.6. 2023 transactions

Acquisition 24.91% shareholding of Termoemcali

On 29 September 2023 ContourGlobal's subsidiary ContourGlobal Colombia Holding, S.L.U. acquired from Ashmore their 24.9% stake in Termoemcali, a 240 MW natural gas power station in Colombia. Following completion of the acquisition, this increased ContourGlobal's ownership to 62.3% from 37.4%, resulting in ContourGlobal obtaining control.

To account for the step acquisition, there is a deemed disposal at the acquisition date of the existing investment in associate at fair value:

In $ millions	
Deemed disposal of equity interest in associate (37.4%) at fair value	23.0
Carrying value of investment in associate	16.8
Gain on deemed disposal	**6.2**

The total consideration to acquire the 24.9% controlling interest was $15.3m, fully paid in cash.

The gain on deemed disposal of $6.2 million has been recognised in Profit on acquisition / disposal of power generating plants in the Consolidated Statement of Income.

The acquisition consideration reflecting 100% ownership following the deemed disposal of the investment in associate is as follows:

In $ millions	
Consideration payable to third party (24.9%)	15.3
Fair value of equity interest in associate (37.4%)	23.1
Fair value of remaining minority interest (37.7%)	23.2
Consideration attributable to the net assets acquired	**61.6**

The determination of the fair value of assets acquired and liabilities assumed at the acquisition date for the 100% shareholding are:

In $ millions	Fair value of assets and liabilities acquired
Property, plant and equipment	70.6
Inventories (1)	7.0
Trade receivables (1)	3.8
Other assets	6.1
Cash and cash equivalents	4.7
Borrowings	(2.2)
Deferred tax liabilities	(21.5)
Other liabilities	(6.9)
Net assets acquired	**61.6**

(1) Contractual value equivalent to fair value

As of 31 December, 2023

Net assets of $61.6m were acquired at their fair value. The transaction did not give rise to goodwill or a bargain purchase.

On a consolidated basis, had this acquisition taken place as of 1 January 2023, the Group would have recognised consolidated revenue of $2,386.8 million, Adjusted EBITDA of $929,7 million, and consolidated net loss of $45,8 million. From the acquisition date on 29 September 2023 to 31 December 2023, this acquisition contributed to consolidated revenue, Adjusted EBITDA and net profit of $74.1 million, $27.7 million and $17.0 million respectively.

Brazil Wind portfolio held for sale

On 5 December 2023, the Group signed an SPA to sell our holding company in Brazil to Patria investments, the same fund that acquired our hydro plants in 2022. CG Brazil Holding owns our wind farms Chapada and Asa Branca, the Sao Paulo office, and the Intelligence Center in Natal, the total Brazil portfolio hereto referred to as 'Brazil Wind'. Given the SPA in place, the Brazil Wind business was classified as held for sale with the major classes of assets and liabilities within the disposal group as follows:

In $ millions	
Intangible assets	37.4
Property, plant and equipment	406.5
Cash and cash equivalents	81.2
Trade and other receivables	14.5
Total assets	**539.6**
Borrowings non-current	55.1
Borrowings current	206.4
Provisions non-current	5.1
Other non-current liabilities	31.1
Other current liabilities	124.4
Total liabilities	**422.1**

1.7. 2022 transactions

Acquisition remaining 51% shareholding of Sochagota

On 30 December 2022, ContourGlobal's subsidiary Crasodel Spain acquired from Steag GmbH the remaining 51% of shareholding of Compañía Eléctrica de Sochagota S.A. ("Sochagota"), a 160 MW coal fired power station in Colombia. Following completion of the acquisition, ContourGlobal controls 100% of the shares of Sochagota.

To account for the step acquisition, there was a deemed disposal at acquisition date of the existing investment in associate at fair value:

In $ millions	
Deemed disposal of equity interest in associate (49%) at fair value	36.4
Carrying value of investment in associate	19.6
Gain on deemed disposal	**16.8**

The total consideration to acquire the 51% controlling interest was $37.9m, of which $25m was paid in cash.

In $ millions	
Liability assumed	12.9
Cash	25.0
Consideration payable to third party (51%) purchase price	**37.9**

The gain on deemed disposal of $16.8 million was recognised in Profit on acquisition / disposal of power generating plants in the Consolidated Statement of Income.

The acquisition consideration reflecting 100% ownership following the deemed disposal of the investment in associate was as follows:

In $ millions	
Consideration payable to third party (51%)	37.9
Fair value of equity interest in associate (49%)	36.4
	74.3
Elimination of pre existing relationship between Contourglobal and Sochagota	(11.5)
Consideration attributable to the net assets acquired	**62.8**

The determination of the fair value of assets acquired and liabilities assumed at the acquisition date for the 100% shareholding are:

As of 31 December, 2023

In $ millions	Fair value of assets and liabilities acquired
Property, plant and equipment	49.9
Inventories (1)	14.5
Trade receivables (1)	11.7
Other assets	28.8
Cash and cash equivalents	12.9
Borrowings	(15.8)
Deferred tax liabilities	(15.3)
Other liabilities	(12.3)
Total net identifiable assets	**74.3**
less pre-existing relationship settled (included within trade and other receivables)	**(11.5)**
Net assets acquired	**62.8**

(1) Contractual value equivalent to fair value

Net assets of $62.8m were acquired at their fair value. The transaction did not give rise to goodwill or a bargain purchase.

Deemed settlement of a pre-existing intercompany balance amounting to $11.5m was accounted for as a separate transaction before acquisition accounting. This was an intercompany receivable for Sochagota (included within trade and other receivables) and an intercompany payable for the Group. The $11.5m represents the fair value of this intercompany balance.

In the twelve month period since the acquisition, no adjustments have been made to the fair value of assets and liabilities in the acquisition balance sheet.

On a consolidated basis, had this acquisition taken place as of 1 January 2022, the Group would have recognised consolidated revenue of $2,938.1 million, Adjusted EBITDA of $918.0 million, and consolidated net profit of $278.9 million. Given the acquisition closed on 30 December 2022, the acquisition did not contribute to the year ended 31 December, 2022.

Brazil Hydro sale

On 30 June 2022, the sale of the Brazil Hydro business, which comprises nine run-of-river hydro-electric generation assets with 168MW of gross capacity, completed. The total price for the sale was BRL 946 million ($181 million). The resulting gain on disposal was:

	BRL millions	$ millions
Transaction price	946.2	181.0
Working capital adjustment	-	0.3
Other liabilities	-	(0.6)
Loss on FX forward	-	(10.9)
Net transaction price	**946.2**	**169.8**
Reclassification of currency translation reserve to profit and loss account	-	(17.8)
Less: net assets disposed of	-	(31.0)
Gain on disposal	**-**	**121.2**

The gain on disposal of $121.2 million was presented in Profit on disposal of subsidiaries in the 2022 Consolidated Statement of Income. The gain net of withholding tax ($29.1 million) of $92.1 million is attributable to the shareholders of the Group as $73.7 million and to non-controlling interests as $18.4 million.

The withholding tax of $29.1 million was settled by the purchaser on behalf of the Group which resulted in net proceeds received of $140.7 million. In August 2022, a post-closing working capital adjustment resulted in additional proceeds of $0.3 million.

The transaction proceeds of $140.7 million net of cash disposed of $14.8 million resulted in $125.9 million as disclosed in the Statement of Cash Flows.

Prior to disposal the assets and liabilities of the Brazil Hydro group were classified as assets and liabilities held for sale with a carrying value of $186.3 million and $155.3 million respectively. Assets held for sale included cash and cash equivalents of $14.8 million.

The entities included in the Brazilian Hydro disposal group at 31 December 2021, which were subsequently disposed on 30 June 2022 are:

- ContourGlobal do Brasil Participacoes SA
- Galheiros Geração De Energia S.A.
- Santa Cruz Power Corporation Usinas Hidroelétricas S.A
- Goias Sul Geração De Energia S.A.
- Rio PCG I S.A.
- Bahia PCH I S.A.
- Afluente Geração de Energia Eletrica S.A.

Acquisition of non-controlling interests which did not result in a change of control

In December 2022, the Group acquired the remaining 20.0% minority shareholding in ContourGlobal Togo S.A. for a consideration paid of $21.4 million. After this transaction, the Group owns 100% of the company. This transaction did not result in a change of control and was therefore accounted for within shareholder's equity as transactions with owners without change of control acting in their capacity of owners. The carrying value of non-controlling interests of $8.5m was derecognised on the date of acquisition, and the difference between the consideration paid and carrying value of non-controlling interests of $12.9m was recognised directly within equity.

1.8. Segment reporting

The Group's reporting segments reflect the operating segments which are based on the organizational structure and financial information provided to the Chief Executive Officer, who represents the chief operating decision-maker ("CODM"). Following the acquisition of ContourGlobal by KKR in December 2022 an organizational restructure took place which resulted in a change in internal Management structures. This change was from a technology based Management structure (with performance monitored on a Thermal and Renewable segment basis) to a geographical Management structure with the two key segments being Americas and Europe & Africa.

Americas for power generating plants operating from coal, natural gas, fuel oil, diesel and for power generating plants operating from renewable resources such as wind, solar and batteries. Americas plants include Mexican CHP, US and Trinidad & Tobago assets, Sochagota, Bonaire, Energies Saint-Martin, Asa Branca, Chapada I, II, III, Inka and Termoemcali. The Group acquired on 30 December 2022 the 51% remaining shares in Sochagota and 24.91% in Termoemcali in September 2023 (see note 1.6).

Europe & Africa for power generating plants operating from coal, natural gas, fuel oil, diesel and for power generating plants operating from renewable resources such as wind, hydro and solar. Europe plants include Vorotan, Austria Portfolio 1 & 2, Maritsa, Arrubal, Spanish Concentrated Solar Power and our other European plants. Africa plants include Nigeria, Togo, Senegal and Rwanda.

The **Corporate & Other** category primarily reflects costs for certain centralized functions including executive oversight, corporate treasury and accounting, legal, compliance, human resources, IT and facilities management and certain technical support costs that are not allocated to the segments for internal management reporting purposes.

The CODM assesses the performance of the operating segments based on Adjusted EBITDA which is defined as profit for the period from continuing operations before income taxes, net finance costs, depreciation and amortization, acquisition, disposal and other transactions related items, gains/losses on disposal of power generating plants, plus, if applicable, net cash gain or loss on sell down transactions (in addition to the entire full period profit from continuing operations for the business the sell down transaction relates to) and specific items which have been identified and material items where the accounting diverges from the cash flow and therefore does not reflect the ability of the assets to generate stable and predictable cash flows in a given period, less the Group's share of profit from non-consolidated entities accounted under the equity method, plus the Group's pro-rata portion of Adjusted EBITDA for such entities. In determining whether an event or transaction is adjusted, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

The Group also presents the Proportionate Adjusted EBITDA which is the Adjusted EBITDA calculated on a proportionally consolidated basis based on applicable ownership percentage. The Proportionate Adjusted EBITDA includes the net cash gain or loss on sell down transactions as well as the underlying profit from continuing operations for the business in which the minority interest sale relates to reflecting applicable ownership percentage going forward from the date of completion of the sale of a minority interest.

The Group considers that the presentation of Adjusted EBITDA and Proportionate Adjusted EBITDA enhances the understanding of ContourGlobal's financial performance, in regards to understanding its ability to generate stable and predictable cash flows from operations. Where applicable, the cash gain on sell down is also included to demonstrate the ability of the Group to sell down assets at a significant premium, which is a distinct activity from operational performance of the power plants. The Group also believes Adjusted EBITDA is useful to investors because it is frequently used by security analysts, stakeholders, ratings agencies and other interested parties to evaluate other companies in the Group's industry and to measure the ability of companies to service their debt.

The CODM does not review nor is presented a segment measure of total assets and total liabilities.

As of 31 December, 2023

All revenue is derived from external customers.

In $ millions	Years ended 31 December 2023	2022
Revenue (1)		
Americas (2)	902.6	944.4
Europe & Africa (3)	1,460.3	1,883.9
Total revenue	**2,362.9**	**2,828.3**
Adjusted EBITDA (1)		
Americas (4)	388.1	399.0
Europe & Africa (5)	551.9	533.3
Corporate & Other (6)	(21.3)	(31.9)
Total adjusted EBITDA	**918.6**	**900.5**
Proportionate adjusted EBITDA	**765.7**	**759.6**
Non-controlling interests	152.9	140.9
Total adjusted EBITDA	**918.6**	**900.5**
Reconciliation to profit before income tax		
Depreciation and amortisation (note 1.10)	(393.1)	(361.2)
Impairment of assets (note 1.15 and 1.16)	(70.1)	-
Net finance costs, foreign exchange gains and losses, and changes in fair value of derivatives (note 1.13)	(399.0)	(231.8)
Share of adjusted EBITDA in associates (7)	(6.4)	(25.6)
Share of profit in associates (note 1.18)	4.3	16.3
Acquisition, disposal and other transactions related items (note 1.12)	(12.8)	(49.2)
Mexico CHP fixed margin swap (8)	22.7	2.9
Change in finance lease and financial concession assets (9)	(31.3)	(34.3)
Gain on Brazil Hydro sale (note 1.6) (10)	-	121.2
Gain on Sochagota acquisition (note 1.6)	-	16.8
Gain on Termoemcali acquisition (note 1.6)	6.2	-
Other	(13.1)	4.8
Profit before income tax	**26.1**	**360.5**

(1) Prior year restated to reflect change in segments.

(2) Revenue generated in 2023 in Brazil and Mexico amounted to $96.2 million and $289.7 million respectively (31 December 2022: $125.4 million and $394.4 million respectively).

(3) Revenue generated in 2023 in Bulgaria and Spain amounted to $663.6 million and $431.2 million respectively (31 December 2022: $910.0 million and $620.6 million respectively).

(4) Adjusted EBITDA generated in 2023 in Brazil and Mexico amounted to $59.1 million and $119.6 million respectively (31 December 2022: $79.5 million and $129.2 million respectively).

(5) Adjusted EBITDA generated in 2023 in Bulgaria and Spain amounted to $127.7 million and $211.4 million respectively (31 December 2022: $121.8 million and $207.9 million respectively).

(6) Corporate costs mainly correspond to selling, general and administrative expenses before depreciation and amortization of $6.4 million (31 December 2022: $5.9 million).

(7) Corresponds to our share of Adjusted EBITDA of plants accounted for under the equity method (Termoemcali and Sochagota) which are reviewed by our CODM as part of our Americas Energy segment. On 30 December 2022 the Group acquired the remaining 51% shares in Sochagota, resulting in the discontinuation of equity accounting. On 29 September 2023 the Group acquired 24.91% shares in Termoemcali, resulting in the discontinuation of equity accounting.

(8) Reflects an adjustment to align the recognised earnings with the cash flows generated under the CHP Mexico fixed margin swap during the period as presented in the consolidated statement of cash flow as "Mexico CHP fixed margin swap".

(9) Reflects an adjustment to align the recognised earnings with the cash flows generated under finance lease and financial concession arrangements which is presented in the consolidated statement of cash flow as "Change in finance lease and financial concession assets".

(10) Represents the gain on disposal on Brazil Hydro sale described in note 1.6.

Cash outflows on capital expenditure

Prior year restated to reflect change in segments.

In $ millions	Years ended 31 December	
	2023	2022
Americas	69.0	48.5
Europe & Africa	73.7	80.0
Corporate & Other	2.4	0.8
Total capital expenditure	**145.1**	**129.3**

Geographical information

The geographic analysis of non-current assets, excluding derivative financial instruments and deferred tax assets, based on the location of the assets, which are not presented to the CODM, is as follows:

In $ millions	31 December	
	2023	2022
Americas	1,836.4	2,284.4
Europe & Africa	1,950.5	2,116.1
Corporate	4.5	15.9
Total non-current assets	**3,791.4**	**4,416.4**

Prior year restated to reflect change in segments.

1.9. Revenue

In $ millions	Years ended 31 December 2023	2022
Revenue from power sales (1)	1,995.7	2,455.1
Revenue from operating leases (2)	192.7	207.6
Revenue from concession and finance lease assets (3)	22.1	28.3
Other revenue (4)	152.4	137.3
Total revenue	**2,362.9**	**2,828.3**

Revenue from power sales and Other revenue are recognised under IFRS 15 and total $2,148.2 million in the year 31 December 2023 (31 December 2022: $2,592.4 million). Revenue from operating leases and revenue from concession and finance lease assets are recognised under IFRS 16 and IFRIC 12 respectively.

(1) The decrease in Revenue from power sales from $2,455.1 million to $1,995.7 million is principally due to revenue decrease in our Maritsa plant of $243.8 million due to lower generation and lower revenue from the CO_2 pass-through, Mexico CHP for $104.7 million due to the decrease in gas prices and revenue decrease in Arrubal for $204.5 million mainly due to lower energy sales as a result of lower captured prices. This was partially offset with the acquisition of Sochagota in December 2022 contributing $117.7 million in 31 December 2023 and the acquisition of 24% in Termoemcali in September 2023 contributing $74.1 million in 31 December 2023.

(2) Revenue from operating leases mainly includes $53.1 million relating to our Solutions plants, $50.0 million relating to our Bonaire plant, $89.6 million relating to certain US and Trinidad and Tobago assets (31 December 2022: $62.9 million, $50.9 million, and $93.9 million respectively).

(3) Some of our plants are operating under specific arrangements for which certain other accounting principles are applied as follows:

- Our Togo, Rwanda (Kivuwatt) and Senegal (Cap des Biches) plants are operating pursuant to concession agreements that are under the scope of IFRIC 12.
- Our Energies Saint Martin plant is operating pursuant to PPAs that are considered to contain a finance lease.

(4) Other revenue primarily relates to environmental, operational and maintenance services rendered to offtakers in our power plants in Bulgaria, Togo, Rwanda and Senegal.

The Group has one customer contributing more than 10% of Group's revenue (December 2022: one customer).

	Years ended 31 December 2023	2022
Customer A	28.1%	32.2%

1.10. Expenses by nature

In $ millions	Years ended 31 December 2023	2022
Fuel costs	577.0	925.7
Depreciation and amortisation	393.1	361.2
Operation and maintenance costs	86.4	80.8
Employee costs (note 1.11)	123.0	111.3
Emission allowance utilized (1)	449.5	666.6
Professional fees	17.1	17.9
Purchased power	76.1	42.1
Transmission charges	29.4	43.8
Operating consumables and supplies	29.6	25.3
Insurance costs	36.9	36.1
Other expenses (2)	48.6	45.8
Total cost of sales and selling, general and administrative expenses	**1,866.7**	**2,356.6**

(1) Emission allowances utilized corresponds mainly to the costs of CO_2 quotas in Maritsa which are passed through to its offtaker and purchases of CO_2 allowances in Arrubal, and includes the write-down of CO_2 quotas held in inventory to their net realizable value where relevant.

(2) Other expenses include facility costs of $18.8 million at 31 December 2023 (31 December 2022: $17.3 million) and provision for bad debt of $3.1 million at 31 December 2023 (31 December 2022: $9.3 million).

As of 31 December, 2023

1.11. Employee costs and numbers

In $ millions	Years ended 31 December 2023	2022
Wages and salaries	(98.0)	(84.9)
Social security costs	(16.9)	(17.6)
Share-based payments (1)	-	(2.1)
Pension and other post-retirement benefit costs	(0.8)	(0.7)
Other	(7.3)	(6.0)
Total employee costs	**(123.0)**	**(111.3)**
Monthly average number of full-time equivalent employees (1):	1,624	1,541
- Americas	440	328
- Europe & Africas	1,004	1,017
- Corporate	180	196

(1) Prior year restated to reflect change in segments.

1.12. Acquisition, disposal and other transactions related items

In $ millions	Years ended 31 December 2023	2022
Acquisition and disposal related items (1)	4.3	9.3
Other transactions related items (2)	8.5	39.9
Acquisition, disposal and other transactions related items	**12.8**	**49.2**

(1) Acquisition and disposal related items costs include notably pre-acquisition costs such as due diligence costs and professional fees and other related incremental costs incurred as part of completed or contemplated acquisitions and disposals. In the year ended 31 December 2023, costs incurred related primarily to the ongoing sale of the Brazil Wind portfolio (31 December 2022: corresponds mainly to the sale of the Brazil Hydro portfolio).

(2) Other transaction related items correspond to KKR transaction and de-listing costs. These include the due diligence costs incurred in connection with the acquisition by KKR, legal and finance advisors' costs and the impact of accelerated vesting of the Group's long-term incentive share plan due to the acquisition by KKR.

1.13. Net finance costs, foreign exchange gains and losses, and changes in fair value of derivatives

	Years ended 31 December	
In $ millions	**2023**	**2022**
Finance income	**30.7**	**12.0**
Net change in fair value of fixed margin derivative (1)	(65.8)	(16.1)
Net fair value changes of other derivatives and reclassification from cash flow hedge reserve (2)	19.5	4.2
Net foreign exchange differences (3)	(47.6)	22.3
Net foreign exchange gains and (losses) and change in fair value of derivatives	**(93.9)**	**10.5**
Interest expense on borrowings	(244.7)	(189.1)
Amortization of deferred financing costs	(19.6)	(15.1)
Unwinding of discounting (4)	(15.7)	(23.8)
Other (5)	(55.8)	(26.4)
Finance costs	**(335.9)**	**(254.3)**
Net finance costs, foreign exchange gains and losses, and changes in fair value of derivatives	**(399.0)**	**(231.8)**

(1) Net change in fair value of derivative related to the CHP Mexico fixed margin liability.

(2) Within this balance the Group recognised a profit of $19.5 million in the 12 months ended 31 December 2023 in relation to its interest rate, cross currency and financial swaps, foreign exchange options and forward contracts (31 December 2022: profit of $4.5 million) which relates to fair value changes on unsettled derivatives that are not hedge accounted and settled derivatives that are hedge accounted reclassified from the cash flow hedge reserve.

(3) Net foreign exchange differences include foreign exchange gains and losses primarily related to conversion of foreign currency denominated cash balances and foreign exchange differences relating to loans in subsidiaries that have a functional currency different to the currency in which the loans are denominated.

(4) Unwinding of discounting mainly relates to other long-term liabilities in the 12 months ended 31 December 2023 and 2022.

(5) Other mainly includes costs associated with other financing, Maritsa debt to non-controlling interests, costs associated with various financings and letter of credit charges.

1.14. Income tax expense and deferred income tax

Income tax expense

	Years ended 31 December	
In $ millions	**2023**	**2022**
Current tax		
- current tax expense of the year	*(97.5)*	*(108.2)*
- prior year adjustment	*7.6*	*(1.7)*
Total current tax expense	**(89.9)**	**(109.9)**
Deferred tax		
- deferred tax expense of the year	12.4	3.9
- prior year adjustment	(1.8)	(1.0)
Total deferred tax expense	**10.6**	**2.9**
Income tax expense	**(79.3)**	**(107.0)**

The decrease of the tax charge in 2023 compared 2022 is mainly attributable to the withholding tax applied on the sale of the Brazilian hydro business in 2022.

The main jurisdictions contributing to the income tax expense for the year ending 31st December 2023 are i) Spain, ii) Colombia, iii) Brazil and iv) Mexico.

During 2021, the OECD published a framework for the introduction of a global minimum effective tax rate of 15%, applicable to large multinational groups ("Pillar Two"). As of the end of 2023 Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group is potentially in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief would not apply and the Pillar Two effective tax rate is close to 15% based on the most recent available data. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

As of 31 December, 2023

The tax on the Group's profit before income tax differs from the theoretical amount that would arise from applying the statutory tax rate of the parent company (2023: 25%, 2022: 19%) to the results of the consolidated entities as follows:

Effective tax rate reconciliation

	Years ended 31 December	
In $ millions	**2023**	**2022**
Profit before income tax	**26.1**	**360.5**
Profit before income tax at UK statutory tax rate	**(6.5)**	**(68.5)**
Tax effects of:		
Differences between statutory tax rate and foreign statutory tax rates (1)	1.2	(3.3)
Changes in unrecognised deferred tax assets (2)	(46.7)	(5.3)
Reduced rate and specific taxation regime (3)	(1.1)	9.7
Foreign exchange movement (4)	(8.7)	9.6
Prior year adjustment - current tax	7.1	(1.7)
Prior year adjustment - deferred tax	4.9	(1.0)
Brazil hydro business sale (5)	-	(6.7)
Permanent differences and other items (6)	(23.6)	(37.0)
Withholding taxes	(6.0)	(3.0)
Income tax expense	**(79.3)**	**(107.0)**
Effective rate of income tax	**304.1%**	**29.7%**

(1) Includes the effect of recognising net income of investments in associates in the profit before income tax.

(2) Mainly relates to tax losses in UK, Luxembourg and Brazil where deferred tax assets are not recognised.

(3) Relates to specific tax regimes and some of the Brazilian entities being taxed by reference to revenue rather than accounting profits.

(4) Mainly driven by difference between functional currency of statutory entities and currency used for local tax reporting and non-deductibility of foreign exchange movements in certain jurisdictions.

(5) Includes the total impact of the sale of the Brazilian hydro assets, composed mainly of the difference between the UK statutory rate and withholding tax rate applied on the sale in Brazil.

(6) This category is composed of tax impacts of inflationary adjustments (2023: $5.1 million, 2022: $9.1 million), non-deductible group costs (2023: $2.7 million, 2022: $4.6 million), and financing costs (2023: $9.1 million, 2022: $4.8 million) as well as a number of individually immaterial items.

As of 31 December, 2023

Net deferred tax movement

The gross movements of net deferred income tax assets (liabilities) were as follows:

In $ millions	31 December 2023	2022
Net deferred tax assets (liabilities) as of 1 January	**(324.8)**	**(275.5)**
Statement of income	10.6	2.9
Deferred tax recognised directly in other comprehensive income	13.2	(41.6)
Acquisitions	(21.3)	(15.0)
Currency translation differences and other	(8.0)	4.4
Net deferred tax assets (liabilities) as of 31 December	**(330.4)**	**(324.8)**
Including net deferred tax assets balance of:	*45.6*	*38.7*
Deferred tax liabilities balance of:	*(376.1)*	*(363.6)*

Analysis of the net deferred tax position recognised in the consolidated statement of financial position

The net deferred tax positions and their movement can be broken down as follows:

In $ millions	Tax losses	Property, plant and equipment	Intangible assets(1)	Derivative financial instruments (2)	Deferred financing costs	Other (3)	Total
As of 1 January 2022,	**138.8**	**(497.8)**	**18.6**	**14.9**	**26.8**	**23.2**	**(275.5)**
Statement of income	(30.5)	11.8	12.1	(0.3)	4.3	5.4	2.9
Other comprehensive income	-	-	-	(41.6)	-	-	(41.6)
Acquisitions	-	(15.0)	-	-	-	-	(15.0)
Currency translations and other	(0.4)	8.3	(0.4)	0.3	(2.1)	(1.4)	4.4
As of 31 December 2022,	**107.8**	**(492.7)**	**30.4**	**(26.6)**	**29.0**	**27.2**	**(324.8)**
Statement of income	(40.2)	45.2	(4.2)	1.4	0.1	8.4	10.6
Other comprehensive income	-	-	-	13.2	-	-	12.3
Acquisitions (4)	-	(29.7)	9.6	-	(1.3)	0.9	(20.4)
Currency translations and other	0.2	(6.4)	0.4	(0.2)	0.6	(2.7)	(8.0)
As of 31 December 2023,	**67.8**	**(483.6)**	**36.1**	**(12.2)**	**28.5**	**32.9**	**(330.4)**

(1) Mainly relates to assets acquired through business combinations.

(2) $13.2 million (31st December 2022: -$41.6 million) of the current year movement through other comprehensive income predominantly represents the movement in the year of hedging expenses in Austria, Italy, Mexico, Senegal and the USA.

(3) This category is made up of various items, including finance lease capitalization of $(12.0) million (2022: $(11.7) million) and Mexico fixed margin swap of $23.9 million (2022: $11 million). This category also includes the net impact of deferred tax on Right of Use Assets and Lease Liabilities - the gross values associated with Right of Use Assets and Lease Liabilities is $41.4 million and $41.5 million respectively and predominantly associated with positions in Austria, Italy, Peru and the United States.

(4) $(21.5) million relates to opening balance sheet deferred tax liabilities on the Termoemcali acquisition whereby ContourGlobal took its interest from a minority to majority shareholding.

As of 31 December, 2023

Deferred tax assets recognised in the consolidated statement of financial position

The Group recognises deferred tax assets to the extent that it is probable that sufficient future taxable profits will arise against which these deductible temporary differences can be utilized. The Group has performed an assessment of the recovery of deferred tax assets which has involved the use of budgets and forecasts.

Analysis of the deferred tax position unrecognised in the consolidated statement of financial position

Unrecognised deferred tax assets amount to $341.0 million as of 31 December 2023 (31 December 2022: $278.0 million) and can be broken down as follows:

	31 December	
In $ millions	**2023**	**2022**
Unrecognised deferred tax assets on tax losses	300.2	256.4
Unrecognised deferred tax assets on deductible temporary differences	40.8	21.6
Total unrecognised deferred tax assets	**341.0**	**278.0**

The total amount of deductible temporary differences and unused tax losses for which no deferred tax asset is recognised amounts to $1,324.6 million (2022: $1,086.7 million) and is broken down as follows:

	31 December	
	2023	**2022**
Tax losses - no deferred tax asset recognised	1,138.1	992.7
Deductible temporary differences - no deferred tax asset recognised	186.5	94.0
Total	**1,324.6**	**1,086.7**

Deferred tax assets that have not been recognised mainly relate to tax losses in Luxembourg, Brazil and the UK where it is not probable that future taxable profit will be available against which the tax losses can be utilized. The amounts unrecognised for deferred tax purposes generally do not expire with the exception of Luxembourg.

With respect to Luxembourg, tax losses of $271.6 million arising prior to 31 December 2016 can be carried forward without time limit. As from January 1, 2017, new tax losses expire after 17 years and therefore tax losses of $49.7 million, $93.1 million, $143.2 million, $163.4 million, $20.3 million, $52.5 million and $22.1 million expire on 31 December 2034, 2035, 2036, 2037, 2038, 2039 and 2040 respectively.

The Group accrues deferred tax liabilities for the withholding tax that will arise on the future repatriation of undistributed earnings. There are no temporary differences on undistributed earnings with material unrecognised deferred tax liabilities.

As of 31 December, 2023

1.15. Intangible assets and goodwill

In $ millions	Goodwill	Work in progress	Legado rights	Contracts	Permits, licenses and other project development	Software and Other	Total
Cost	4.1	0.1	233.3	31.4	89.0	50.3	408.2
Accumulated amortisation and impairment	-	-	(28.6)	(8.1)	(34.5)	(31.6)	(102.8)
Carrying amount as of 1 January 2022	**4.1**	**0.1**	**204.7**	**23.3**	**54.5**	**18.7**	**305.4**
Additions	-	4.6	-	-	0.5	1.0	6.1
Disposals	-	-	-	-	-	-	-
Currency translation differences	(0.1)	-	-	-	2.2	-	2.1
Reclassification	-	(3.9)	-	-	1.8	2.1	-
Amortisation charge	-	-	(13.7)	(9.3)	(6.7)	(4.7)	(34.4)
Closing net book amount	**4.0**	**0.8**	**191.0**	**14.0**	**52.3**	**17.1**	**279.1**
Cost	4.0	0.8	233.3	31.4	94.7	65.6	429.8
Accumulated amortisation and impairment	-	-	(42.3)	(17.4)	(42.4)	(48.5)	(150.6)
Carrying amount as of 1 January 2023	**4.0**	**0.8**	**191.0**	**14.0**	**52.3**	**17.1**	**279.2**
Additions	-	1.1	-	-	9.2	0.5	10.8
Acquired through business combination	-	-	-	-	-	0.2	0.2
Brazil Wind business held for sale	-	-	-	-	(37.2)	(0.2)	(37.4)
Currency translation differences	-	-	-	-	2.7	0.2	2.9
Reclassification	-	(1.1)	-	-	1.8	0.9	1.6
Amortisation charge	-	-	(13.7)	(9.3)	(6.6)	(4.0)	(33.6)
Impairment charge	(0.5)	-	-	-	-	-	(0.5)
Closing net book amount	**3.5**	**0.8**	**177.3**	**4.7**	**22.2**	**14.7**	**223.3**
Cost	4.0	0.8	233.3	31.4	47.3	60.9	377.7
Accumulated amortisation and impairment	(0.5)	-	(56.0)	(26.7)	(25.0)	(46.2)	(154.4)
Carrying amount as of 31 December 2023	**3.5**	**0.8**	**177.3**	**4.7**	**22.3**	**14.7**	**223.3**

Assets acquired through business combinations and assets recognised as held for sale are explained in Note 1.6.

Contracts relate to the fair valuation on acquisition of power purchase agreements in the United States of America performed in 2021. Contracts are subsequently measured at amortised cost.

Permits, licenses and other project development rights relate to licenses acquired from the initial developers for our wind parks in Peru and Brazil. Legado rights were recognised on acquisition of Mexico CHP.

Amortization included in 'cost of sales' in the consolidated statement of income amounted to $29.7 million in the year ended 31 December 2023 (31 December 2022: $30.6 million) and amortization included in 'selling, general and administrative expenses' amount to $3.9 million in the year ended 31 December 2023 (31 December 2022: $3.8 million).

1.16. Property, plant and equipment

The power plant assets predominantly relate to wind farms, natural gas plants, fuel oil or diesel plants, coal plants, hydro plants, solar plants, asset retirement obligations and other buildings.

Other assets mainly include IT equipment, furniture and fixtures, facility equipment and vehicles, and project development costs.

Assets acquired through business combinations and assets recognised as held for sale are explained in Note 1.6.

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	67.6	5,843.0	53.5	57.0	215.4	6,236.4
Accumulated depreciation and impairment	(0.8)	(2,361.0)	-	(21.2)	(116.4)	(2,499.4)
Carrying amount as of 1 January 2023	**66.8**	**3,482.0**	**53.5**	**35.8**	**99.0**	**3,737.0**
Additions	-	11.6	121.2	11.0	18.9	162.7
Disposals	(1.4)	(5.8)	(0.8)	(0.1)	(0.6)	(8.7)
Reclassification	0.6	120.9	(133.5)	-	14.1	2.1
Acquired through business combination	2.3	65.8	-	-	2.6	70.7
Assets recognized as held for sale	-	(396.2)	(0.9)	(0.3)	(8.9)	(406.3)
Currency translation differences	1.7	63.6	1.1	0.9	2.2	69.6
Depreciation charge	(0.1)	(332.6)	-	(6.4)	(20.4)	(359.5)
Impairment charge (4)	(4.9)	(64.7)	-	-	-	(69.6)
Closing net book amount	**65.0**	**2,944.6**	**40.6**	**40.9**	**106.8**	**3,197.8**
Cost	70.9	5,605.5	40.6	66.7	245.1	6,028.7
Accumulated depreciation and impairment	(5.9)	(2,660.9)	-	(25.8)	(138.3)	(2,830.9)
Carrying amount as of 31 December 2023	**65.0**	**2,944.6**	**40.6**	**40.9**	**106.8**	**3,197.8**

Construction work in progress as of 31 December 2023 predominantly relates to our ongoing Austria Wind repowering project and projects at Bonaire and Vorotan. Reclassification from Construction work in progress to Power plant assets primarily relates to Austria Wind repowering project.

As of 31 December 2023, the Other category mainly related to $53.4 million of instruments and tools and $17.5 million of critical spare parts.

Depreciation included in 'cost of sales' in the consolidated statement of income amounted to $357.1 million in the year ended 31 December 2023 (31 December 2022: $324.7 million) and depreciation included in 'selling, general and administrative expenses' amount to $2.4 million in the year ended 31 December 2023 (31 December 2022: $2.1 million).

As of 31 December, 2023

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	76.7	5,842.0	30.3	50.1	198.8	6,197.9
Accumulated depreciation and impairment	(0.8)	(2,151.5)	-	(17.7)	(102.5)	(2,272.5)
Carrying amount as of January 1, 2022	**75.9**	**3,690.5**	**30.3**	**32.4**	**96.3**	**3,925.4**
Additions	0.3	34.5	85.3	13.3	8.6	142.0
Disposals	(0.1)	(19.1)	(2.1)	(3.1)	(1.6)	(26.0)
Reclassification	(5.8)	53.0	(60.3)	-	13.1	-
Acquired through business combination(1)	-	49.5	-	-	0.4	49.9
Currency translation differences	(3.4)	(20.7)	0.3	(1.2)	(2.4)	(27.5)
Depreciation charge	(0.1)	(305.7)	-	(5.6)	(15.4)	(326.8)
Closing net book amount	**66.8**	**3,482.0**	**53.5**	**35.8**	**99.0**	**3,737.0**
Cost	67.6	5,843.0	53.5	57.0	215.4	6,236.4
Accumulated depreciation and impairment	(0.8)	(2,361.0)	-	(21.2)	(116.4)	(2,499.4)
Carrying amount as of December 31, 2022	**66.8**	**3,482.0**	**53.5**	**35.8**	**99.0**	**3,737.0**

(1) See note 1.6 for a description of the acquisition of the 51% of Sochagota.

Construction work in progress as of 31 December 2022 predominantly relates to our ongoing Austria Wind repowering project and projects at Bonaire, Vorotan and Maritsa. Reclassification from Construction work in progress to Power plant assets primarily relates to Austria Wind repowering project ($31.1 million).

As of 31 December 2022, the Other category mainly related to $52.6 million of instruments and tools and $22.4 million of critical spare parts.

Depreciation included in 'cost of sales' in the consolidated statement of income amounted to $324.7 million in the year ended 31 December 2022 (31 December 2021: $357.5 million) and depreciation included in 'selling, general and administrative expenses' amount to $2.1 million in the year ended 31 December 2022 (31 December 2021: $2.7 million).

In the year ended 31 December 2022, the Group capitalized $0.3 million of borrowing costs in relation to project financing.

Impairment tests on tangible and intangible assets

Certain triggering events were identified in the year ended 31 December 2023, in relation to;

• Our Maritsa coal plant in Bulgaria, driven by the end of the PPA contract in February 2024 and the corresponding inherent uncertainty associated with merchant operations; and

• Our Vorotan hydro cascade in Armenia, driven by variations in resource levels particularly in the current year.

The recoverable amounts were determined as the higher of the value in use determined by the discounted value of future cash flows (discounted cash flow method or "DCF", determined by using cash flow projections consistent with the following year budget and the most recent forecasts prepared by management and approved by the Board) and the fair value (less costs to sell), determined on the basis of market data (comparison with the value attributed to similar assets or companies in recent transactions).

As of 31 December, 2023

An impairment test was performed on both Maritsa and Vorotan as at 31 December 2023 using the following assumptions and result.

In $ millions	Valuation approach	Post tax discount rate	Net book value	Recoverable value	Impairment recognised
Maritsa	DCF	8.2%	161.2	91.6	69.6
Vorotan	DCF	7.9%	248.1	393.1	-

Sensitivity analysis was also performed as follows:

In $ millions	Scenario	Metric	Sensitivity impact
Maritsa	1) High gas, high CO2 2) High gas, low CO2 3) Low gas 4) High gas	Base case: Power price range (€/MWh); €130.4 – €137.0 CO2 price range(€/ton); €70.3 – €81.5 Generation (TWh); 3.9 – 4.5 1) Power price range (€/MWh); €141.5 – €157.5 CO2 price range (€/ton); €80.2 – €91.6 Generation (TWh); 3.7 – 4.9 2) Power price range (€/MWh); €141.5 – €157.5 CO2 price range (€/ton); €65.2 – €70.3 Generation (TWh): 3.7 – 4.9 3) Power price range (€/MWh); €120.3 – €130.3 Generation (TWh): 3.6 – 4.3 4) Power price range (€/MWh); €132.1 - €149.0 Generation (TWh): 4.9 – 5.0	1) Additional impairment of $2.5 million 2) No impairment recorded 3) Additional impairment of $43.9 million 4) No impairment recorded
Vorotan	1) Discount rate increased 2) Reduction in generation	1) 1% 2) 12%	No impairment in either scenario

The sensitivity calculations for Maritsa were performed using an estimated future price curve for gas and CO2 prices within the Bulgarian energy market. These are the most appropriate sensitivities as gas pricing drives how economic it is for gas-fired power baseload generation in the South Eastern Europe energy market which in turn impacts the competitiveness of coal fired baseload generation.

Other than as disclosed in the sensitivity analysis above, there are no reasonably possible changes to the key impairment test assumptions that would result in a material impairment charge.

As of 31 December, 2023

1.17. Finance lease and financial concession assets

In $ millions	31 December 2023	2022
Contract assets - Concession arrangements (1)	332.4	346.9
Finance lease receivables (2)	-	4.9
Other	8.4	17.7
Total finance lease and financial concession assets	**340.8**	**369.4**
Total finance lease and financial concession assets non-current portion	323.4	346.4
Total finance lease and financial concession assets current portion	17.4	23.0

(1) The Group operates plants in Togo, Rwanda and Senegal which are in the scope of the financial model of IFRIC 12 ‘Service Concession Arrangements’.

Our Rwanda power plant consists of the development, construction and operation of Gas Extraction Facilities (“GEF”) and an associated power plant. The GEF is used to extract methane and biogas from the depths of Lake Kivu in Rwanda and deliver the gas via submerged gas transport pipelines to shore-based power production facilities totalling 26 MW of gross capacity. The PPA runs for 25 years starting on the commercial operation date (31 December 2015) and ending in 2040, when the GEF along with all equipment necessary for the operation of the plant, will be transferred to the Republic of Rwanda.

Our Togo power plant was commissioned in 2010 and is operated under a power purchase agreement with a unique offtaker, Compagnie Energie Electrique du Togo (“CEET”) which has an average remaining contract life of approximately 11.8 years as of 31 December 2023 (31 December 2022: 12.8 years). At expiration, the Togo plant, along with all equipment necessary for the operation of the plant, will be transferred to the Republic of Togo. This arrangement is accounted for as a concession arrangement and the value of the asset is recorded as a financial asset. The all-in base capacity tariff under the Togo power purchase agreement is adjusted annually for a combination of US$, Euro and local consumer price index related to the cost structure.

Our Cap des Biches power plant in Senegal consists of the development, construction and operation of five engines with a flexi-cycle system technology based on waste heat recovery totalling about 86MW. A PPA integrating all the Cap des Biches requirements and agreements on price was signed for 20 years starting on the commercial operation date of the project (2016) and ending in 2036, the date when the power plant along with all equipment necessary for the operation of the plant, will be transferred to the Republic of Senegal.

(2) Relates to finance leases where the Group acts as a lessor, and includes our Saint Martin plant in the French Territory. Saint Martin has no remaining contract life as of 31 December 2023 (31 December 2022: 0.3 years).

No losses from impairment of contracted concessional assets and finance lease receivables in the above projects were recorded during the years ended 31 December 2023 and 2022.

Net cash inflows generated by the financial assets under concession agreements amounted to $69.1 million as of 31 December 2023 (31 December 2022: $53.1 million).

1.18. Investments in associates

Set out below are the associates of the Group as of 31 December 2023:

Operational plant		Country of incorporation	Ownership interests		Date of acquisition
			2023	2022	
Termoemcali	Subsidiary / Associate	Colombia	62.3%	37.4%	2010
Evacuacion Villanueva del Rey, S.L.	Associate	Spain	34.6%	34.6%	2018

The Group acquired the 24.91% shares in Termoemcali on September 29, 2023, resulting in the Group obtaining control. As such this constitutes a deemed disposal of the investment in associate. See note 1.6 for details.

Set out below is the summarized financial information for the investments which are accounted for using the equity method (presented at 100%):

In $ millions	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Net income
Year ended 31 December 2022						
Termoemcali	19.4	48.9	13.1	17.9	30.6	14.4
Evacuacion Villanueva del Rey, S.L.	0.2	2.3	0.3	2.2	0.3	-
Year ended 31 December 2023						
Evacuacion Villanueva del Rey, S.L.	0.2	2.2	0.2	2.2	-	-

The reconciliation of the investments in associates for each year is as follows:

	Years ended 31st December	
In $ millions	**2023**	**2022**
Balance as of 1 January,	**13.0**	**33.5**
Share of profit	4.3	16.3
Dividends	(0.5)	(14.1)
Deemed disposal (1)	(16.8)	(19.6)
Other	-	(3.1)
Balance as of 31 December,	**(0.0)**	**13.0**

(1) See note 1.6 for a description of the acquisition of an additional 24.91% interest in Termoemcali.

1.19. Management of financial risk

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Interest rate risk

Interest rate risk arises primarily from our long-term borrowings. Interest cash flow risk arises from borrowings issued at variable rates, partially offset by cash held at variable rates. To hedge interest rate exposures, the Group enters into interest rate swaps and cross currency swaps that have similar critical terms to the hedged items, such as the notional amounts, payment dates, reference rate and maturities. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of outstanding loans up to the notional amount of the swaps.

Typically the Group hedges variable interest risk on newly issued debt in a range of 70% to 100% of the nominal debt value but in doing so takes into account factors such as the projected level of debt, term of the debt, interest rates and interest cover. Interest rate risk is managed on an asset by asset basis through entering into interest rate swap agreements, entered into with commercial banks and other institutions. The interest rate swaps qualify as cash flow hedges. Approximately 13.1% of the Group's existing external debt obligations carry variable interest rates in 2023 (2022: 8.0%) (after taking into account the effect of interest rate swaps).

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. As all critical terms match, there is an economic relationship and the hedge ratio is established as 1:1. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

The main sources of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap and cross currency swap contracts, which are not reflected in the fair value of the hedged item attributable to changes in underlying rates, and the risk of over-hedging where the hedge relationship requires re-balancing. No other material sources of ineffectiveness have emerged from these hedging relationships. Any hedge ineffectiveness is recognised immediately in the income statement in the period that it occurs.

The following table presents a reconciliation by risk category of the cash-flow hedge reserve and analysis of other comprehensive income in relation to hedge accounting:

	Years ended 31 December	
In $ millions	**2023**	**2022**
Brought forward cash-flow hedge reserve	86.9	(72.7)
Interest rate and cross currency swap contracts:		
Net fair value (loss) / gain on effective hedges	(45.5)	164.2
Amounts reclassified to Net finance cost	(22.0)	(4.6)
Carried forward cash-flow hedge reserve (1)	**19.4**	**86.9**

(1) The above table show pre-tax cash flow hedge positions, including non-controlling interest. The amounts on the balance sheet include $11.7 million deferred tax liability (2022: $21.4 million deferred tax liability).

The debit value adjustment on the interest rate swaps and cross currency swaps in the interest rate hedge amounts to nil million (2022: nil million). These amounts are recognised on the financial statements against the fair value of derivative (note 1.20). Aside from the IFRS 13 credit/debit risk adjustment, cash-flow hedges can also generated ineffectiveness which is recognised in the income statement through finance costs. In 2023 hedge ineffectiveness was nil.

The following tables set out information regarding the cumulative change in value of the hedged item used in calculating hedge ineffectiveness as well as the impacts on the cash-flow hedge reserve:

In $ millions

Hedged item	Hedged exposure	Hedging instrument	Change in value of hedged item for calculating ineffectiveness	Change in value of hedging instrument for calculating ineffectiveness
As of 31 December 2022				
Cash flows payable on a proportion of borrowings	Interest rate risk	Interest rate swaps	(78.8)	78.8
Cash flows payable on a proportion of borrowings	Interest rate risk and foreign currency risk	Cross currency swaps	(8.1)	8.1
As of 31 December 2023				
Cash flows payable on a proportion of borrowings	Interest rate risk	Interest rate swaps	(15.1)	15.1
Cash flows payable on a proportion of borrowings	Interest rate risk and foreign currency risk	Cross currency swaps	(4.3)	4.3

Hedged cash flows are contractual such that the maturity dates on the interest rate swaps are aligned to the hedged item, except for hedged cash flows on $621.0 million principal, with swaps maturing between 2025 and 2033, in relation to CHP assets in Mexico, United States portfolio and Caribbean assets that are anticipated to be subject to refinancing before maturity in 2026 for CHP assets in Mexico and 2027 for the United States portfolio and Caribbean assets. Refinancing for an additional five, six and four years to match the term of the swap is considered highly probable since the Group will continue to maintain significant levels of US$ debt in relation to the contracted CHP assets in Mexico, United States portfolio assets and the Caribbean assets through to 2033.

These agreements involve the receipt of variable payments in exchange for fixed payments over the term of the agreements without the exchange of the underlying principal amounts. The main interest rate exposure for the Group relates to the floating rates with the TJLP, EURIBOR, LIBOR and SOFR which are not hedged through interest rate swaps (refer to note 1.30). A change of 0.5% of those floating rates would result in an increase in interest expenses by $2.8 million in the year ended 31 December 2023 (2022: $1.6 million).

The replacement of benchmark interest rates such as LIBOR and other interbank offered rates (IBORs) is ongoing globally. At the end of 2021, the polled publication of JPY, CHF and GBP LIBORs ceased, while certain USD LIBORs (overnight, 1-, 3-, 6- and 12-month tenors) polled publication ceased in 2023. Issuance of new floating-rate loans referencing USD LIBOR are no longer permitted after the end of 2021, and new LIBOR-based swaps traded after 2021 are only permitted if they demonstrably reduce an entity's LIBOR-based risk. The European Central Bank (“ECB”) has disclosed no plans for the elimination of EURIBORs, and they will remain in existence (unless the ECB decides otherwise) alongside the ECB's new overnight index ESTR (Euro short-term rate).

The Group has borrowings and IFRS 9 designated hedge relationships that are impacted by IBOR reform including interest rate swap contracts and a cross currency swap that qualify as cash-flow hedges, used to hedge a proportion of our external borrowings. These swaps reference six-month EURIBOR and USD LIBOR. During 2022 and 2023 all of the Group's borrowings and interest rate swaps referencing USD LIBOR have been transitioned to TERM SOFR. No other borrowings or interest rate swaps were transitioned during the period.

In $ millions

	Measurement basis	Carrying value at 31 December 2022		Notional
		Assets	Liabilities	
Borrowings nominal outstanding - EURIBOR	Amortised cost	-	498.7	
Borrowings nominal outstanding - USD LIBOR	Amortised cost	-	667.2	
Borrowings nominal outstanding - SOFR	Amortised cost	-	407.7	
Derivatives - EURIBOR	Cash flow hedge	41.3	-	358.7
Derivatives - USD LIBOR	Cash flow hedge	32.1	-	607.5
Derivatives - SOFR	Cash flow hedge	17.2	-	456.2

	Measurement basis	Carrying value at 31 December 2023		Notional
		Assets	Liabilities	
Borrowings nominal outstanding - EURIBOR	Amortised cost	-	1,512.1	
Borrowings nominal outstanding - USD LIBOR	Amortised cost	-	604.7	
Borrowings nominal outstanding - SOFR	Amortised cost	-	388.8	
Derivatives - EURIBOR	Cash flow hedge	10.9	28.8	949.0
Derivatives - USD LIBOR	Cash flow hedge	17.4	-	379.4
Derivatives - SOFR	Cash flow hedge	8.4	-	401.3

The risk for the Group regarding this transition is ensuring that the alternative rates are consistent between borrowings and derivatives so that the hedging relationships remain effective in managing interest rate exposure. The Group is managing this risk by ongoing engagement with the counterparties to our borrowings and derivatives regarding the proposed transition.

Foreign currency risk

Foreign exchange risk arises from various currency exposures, primarily with respect to the Euro, Brazilian Real and Bulgarian Lev (which is pegged to the Euro). Currency risk comprises (i) transaction risk arising in the ordinary course of business, including certain financial debt denominated in a currency other than the currency of the operations; (ii) transaction risk linked to investments or mergers and acquisitions; and (iii) translation risk arising on the consolidation in US dollars of the consolidated financial statements of subsidiaries with a functional currency other than the US dollar.

To mitigate foreign exchange risk, (i) most revenues and operating costs incurred in the countries where the Group operates are denominated in the functional currency of the project company, (ii) the external financial debt is mostly denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk, and (iii) the Group enters into various foreign currency sale / forward and / or option transactions at a corporate level to hedge against the risk of lower distribution. Typically, the Group hedges its future distributions in Brazil through a combination of forwards and options. The analysis of financial debt by currency is presented in note 1.30.

Potential sensitivity on the post-tax profit result for the year linked to financial instruments is as follows:

- if the US dollar had weakened/strengthened by 10% against the Euro, post-tax profit for the year ended 31 December 2023 would have been $2.0 million higher/lower (2022: $5.1 million higher/lower); and
- if the US dollar had weakened/strengthened by 10% against the Brazilian Real, post-tax profit for the year ended 31 December 2023 would have been $1.4 million higher/lower (2022: $1.3 million higher/lower).

The Bulgarian Lev is pegged to the Euro therefore the Group's exposure to the Lev is consistent with the Euro. The exposure to the Mexican Peso is limited due to the fixed margin swap derivative which fixes the underlying gas price in US dollar, refer to sensitivity as disclosed in note 1.21. The Group's hedge policy states that the exposure between US Dollar and Euros will not be hedged, as both currencies are considered as more stable currencies and reflect the currencies from which the majority of the Group's cashflows are derived.

Commodity and electricity pricing risk

Apart from the Arrubal plant, the Group's current and future cash flows are generally not impacted by changes in the prices of electricity, carbon, gas, oil and other fuel prices as most of the Group's non-renewable plants operate under long-term power purchase agreements and fuel purchase agreements and other commercial agreements such as the fixed margin swap arrangement. These agreements generally mitigate against significant fluctuations in cash flows as a result in changes in commodity prices by passing through changes in fuel prices to the offtaker. For renewable plants these also operate under long-term power purchase agreements (typically feed-in tariffs) which also protects against electricity pricing risk.

Credit risk

Credit risk relates to risk arising from customers, suppliers, partners, intermediaries and banks on its operating and financing activities, when such parties are unable to honour their contractual obligations. Credit risk results from a combination of payment risk, delivery risk (failure to deliver services or products) and the risk of replacing contracts in default (known as mark to market exposure – i.e. the cost of replacing the contract in conditions other than those initially agreed). Financial assets are generally considered to be credit impaired when they are past their contractual due date, or in some jurisdictions outside of historical payment timeframes.

The Group analyzes the credit risk for each new client prior to entering into an agreement. In addition, in order to minimize risk, the Group contracts political risk insurance policies from multilateral organizations or commercial insurers which usually provide insurance against government defaults. Such policies cover project companies in Armenia, Colombia, Rwanda, Togo, Senegal and Kosovo.

Where possible, the Group restricts exposure to any one counterparty by setting credit limits based on the credit quality as defined by Moody's and S&P and by defining the types of financial instruments which may be entered into. The minimum credit ratings the Group generally accepts from banks or financial institutions are BBB- (S&P) and Baa3 (Moody's). For offtakers, where credit ratings are CCC+ or below, the Group generally hedges its counterparty risk by contracting political risk insurance.

If there is no independent rating, the Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

For trade receivables, finance lease and financial concession assets, the Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

In $ millions

	Carrying value at 31 December 2022			
	Investment grade	Non Investment grade with PRI	Non Investment grade	Total
Contract assets - Concession arrangements	-	346.9	-	346.9
Trade receivables - gross	35.4	119.0	11.0	165.4

	Carrying value at 31 December 2023			
	Investment grade	Non Investment grade with PRI	Non Investment grade	Total
Contract assets - Concession arrangements	-	333.0	-	333.0
Trade receivables - gross	41.0	190.7	17.5	249.2

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2023 or 31 December 2022 respectively and the corresponding historical credit losses experienced within this period. In this context, the Group has taken into account available information on past events (such as customer payment behaving), current conditions and forward-looking factors that might impact the credit risk of the Group’s debtors.

Trade receivables can be due from a single customer or a few customers who will purchase all or a significant portion of a power plant’s output under long-term power purchase agreements. This customer concentration may impact the Group’s overall exposure to credit risk, either positively or negatively, in that the customers may be affected by changes in economic, industry or other conditions.

Ageing of trade receivables – net are analysed below:

	31 December	
In $ millions	**2023**	**2022**
Trade receivables not overdue	125.7	99.9
Past due up to 90 days	83.0	40.2
Past due between 90 - 180 days	14.9	11.5
Past due over 180 days	7.1	-
Total trade receivables	**230.7**	**151.6**

As of 31 December 2023, $40.9 million and $40.3 million (31 December 2022: $50.7million and $29.6 million) of trade receivables were outstanding in connection with our Cap des Biches in Senegal and Bulgarian power plant, Maritsa East 3. Past due receivables over 180 days mainly related to our Kivuwatt plant in Rwanda.

The trade receivables include an expected credit loss of $18.4 million (31 December 2022: $13.7 million) with an increase in allowance recognised in profit and loss of $3.1 million in 2023 (31 December 2022: $9.3 million).

There were immaterial credit losses and no overdue balances identified on finance lease and financial concession assets.

The Group deems the associated credit risk of the trade receivables not overdue to be suitably low.

Liquidity risk

Liquidity risk arises from the possibility of the Group not being able to meet its obligations. The Group mainly relies on long-term debt obligations to fund its acquisitions and construction activities with Corporate bonds issued in the corporate Luxembourg holdcos, term loan 'Midco' facility at the project level and project financings arrangement at the assets level. All significant asset level long-term financing arrangements are supported locally and covered by the cash flows expected from the power plants when operational. The Group has, to the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire its electric power plants and related assets.

A rolling cash flow forecast of the Group's liquidity requirements is prepared to confirm sufficient cash is available to meet operational needs and to comply with borrowing limits or covenants. Such forecasting takes into consideration the future debt financing strategy, covenant compliance, compliance with internal statement of financial position ratio targets and, if applicable external regulatory or legal requirements – for example, cash restrictions.

The subsidiaries are separate and distinct legal entities and, unless they have expressly guaranteed any of the holding company indebtedness, have no obligation, contingent or otherwise, to pay any amounts due pursuant to such debt or to make any funds available whether by dividends, fees, loans or other payments.

Some of the Group's subsidiaries have given guarantees on the credit facilities and outstanding debt securities of certain holding companies in the Group.

As of 31 December, 2023

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date:

In $ millions	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Year ended 31 December 2022	**1,485.7**	**2,622.2**	**1,016.5**	**5,124.4**
Borrowings (1)	411.8	2,476.1	989.3	3,877.2
Trade and other payables	849.0	-	-	849.0
Derivative financial instruments	16.0	19.2	2.9	38.1
IFRS 16 lease liabilities	5.4	21.7	8.1	35.2
Other current liabilities	203.5	-	-	203.5
Other non current liabilities	-	105.2	16.2	121.4
Year ended 31 December 2023	**1,109.9**	**2,737.8**	**1,271.3**	**5,119.0**
Borrowings (2)	304.5	2,589.6	1,250.6	4,144.7
Trade and other payables	661.9	-	-	661.9
Derivative financial instruments	6.5	103.6	3.6	113.7
IFRS 16 lease liabilities	5.8	23.4	11.8	41.0
Other current liabilities (3)	131.2	-	-	131.2
Other non current liabilities (3)	-	21.2	5.3	26.4

(1) Borrowings represent the outstanding nominal amount (note 1.30). Short-term debt of $411.8 million as of 31 December 2022 related to the short-term portion of long-term financing that matured within the next 12 months, that was repaid using cash on hand and cash received from operations.

(2) Borrowings represent the outstanding nominal amount (note 1.30). Short-term debt of $304.5 million as of 31 December 2023 relates to the short-term portion of long-term financing that matures within the next 12 months, that we expect to repay using cash on hand and cash received from operations.

(3) Other current liabilities and Other non current liabilities as presented in notes 1.35 and 1.31 respectively, excludes IFRS 16 lease liabilities, other taxes payable and deferred credits.

As of 31 December, 2023

The table below analyses the Group's forecasted interest to be paid into relevant maturity groupings based on the interest's maturity date:

Year ended December 31, 2022				
In $ millions	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Forecast interest expense to be paid	175.7	458.9	207.0	841.6
Year ended December 31, 2023				
In $ millions	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Forecast interest expense to be paid	215.8	573.6	202.0	991.4

The Group's forecasts and projections, taking into account reasonably possible changes in operating performance, indicate that the Group has sufficient financial resources, together with assets that are expected to generate free cash flow to the Group. As a consequence, the Group has a reasonable expectation to be well placed to manage its business risks and to continue in operational existence for the foreseeable future (at least for the 12 month period from the approval date of these financial statements). Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

Capital risk management

The Company considers its capital and reserves attributable to equity shareholders to be the Company's capital.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern while providing adequate returns for shareholders and benefits for other stakeholders and to maintain a capital structure to optimise the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, sell assets to reduce debt. It may also increase debt provided that the funded venture provides adequate returns so that the overall capital structure remains supportable.

1.20. Derivative financial instruments

The Group uses interest rate swaps to manage its exposure to interest rate movements on borrowings, foreign exchange forward contracts and option contracts to mitigate currency risk, a financial swap in our Mexican CHP business to protect power purchase agreements and cross currency swap contracts in the Cap des Biches project in Senegal to manage both currency and interest rate risks. The fair value of derivative financial instruments are as follows:

	31 December 2023		31 December 2022	
In $ millions	Assets	Liabilities	Assets	Liabilities
Interest rate swaps - Cash flow hedge (1)	33.1	28.8	80.9	-
Cross currency swaps - Cash flow hedge (2)	3.6	-	9.8	-
Foreign exchange forward contracts - Trading (3)	-	4.0	0.4	-
Option contracts - not in hedge relationships (4)	0.1	-	-	-
Financial swap on commodity (5)	1.4	1.3	0.2	1.6
Fixed margin swap(6)	-	79.6	-	36.6
Other (7)	9.4	-	6.1	-
Total	**47.6**	**113.7**	**97.3**	**38.1**
Less non-current portion:				
Interest rate swaps - Cash flow hedge	15.0	28.7	53.1	-
Cross currency swaps - Cash flow hedge	0.8	-	6.5	-
Foreign exchange forward contracts - Trading	-	0.5	-	-
Option contracts - not in hedge relationships	-	-	-	-
Financial swap on commodity	1.4	-	0.2	-
Fixed margin swap	-	78.0	-	22.1
Other	-	-	2.0	-
Total non-current portion	**17.2**	**107.2**	**61.9**	**22.1**
Current portion	**30.4**	**6.5**	**35.4**	**16.0**

(1) Interest rate swaps are used to hedge floating rate borrowings such that in effect the Group will be paying interest at a fixed rate. The fair value of the interest rate swaps mostly relate to contracts in Italy, Mexico and Austria for asset $8.2 million (31 December 2022: to contracts in Italy, Mexico and Austria for liability $53.0 million) maturing between December 2026 and December 2043. Fair value of the Interest rate swaps remains constant in line with floating interest rates. Interest rate swaps are hedge accounted and as a result changes in fair value are recognised in other comprehensive income.

(2) In 2015, the Group entered into cross currency interest swaps in our Cap des Biches project in Senegal. The fair value of the instruments as of 31 December 2023 amounts to asset $3.6 million (31 December 2022: asset $9.8 million) maturing in July 2033. Currency interest rate swaps are hedge accounted and as a result changes in fair value are recognised in other comprehensive income.

(3) The Group has executed a series of offsets to protect in value, in USD terms, of EUR, BRL, MXN and COP denominated expected distributions. The EUR and MXN denominated distributions have been hedged using forward exchange contracts with a fair value of asset $0.1 million and maturity between January 2024 and January 2026. The BRL, COP and MXN denominated distributions have been hedged using forward exchange contracts with a fair value of liability $4.1 million and maturity between January 2024 and December 2024 (31 December 2022: EUR-denominated distributions with a fair value of asset $0.4 million). Hedge accounting is not applied to these foreign exchange forward contracts, as a result changes in fair value are recognised in the consolidated statement of income.

(4) The Group entered into financial swaps related to our Mexican CHP business to protect some purchase power agreements against the variations of the natural gas price maturing between January 2024 and September 2024.

(5) CHP Mexico entered into fixed margin swap agreements with the seller's affiliates in order to protect certain power purchase agreements against variations in the CFE tariffs (electricity prices). The cash flows covered by the derivative amount to around $40 million of annual revenue over the next 8 years.

(6) Contract derivative recognised on acquisition of Western Generation in 2021.

The notional amount of derivative financial instruments:

- the outstanding interest rate swap contracts and cross currency swap qualified as cash-flow hedge amounted to $1,711.4 million (31 December 2022: $1,422.4 million), bearing interest ranging between –0.15% and 4.58% as of 31 December 2023 (31 December 2022: -0.15% and 4.58%).

- the outstanding foreign exchange forward contracts amounted to $245.9 million as of 31 December 2023 (31 December 2022: $4.7 million); and

- the commodity swaps (gas) relates to some PPAs in our Mexican CHP plant amounting to $31.7 million as of 31 December 2023 (31 December 2022: $12.3 million) and our Austrian business amounting to $2.6 million as of 31 December 2023.

The Group recognised in Net Finance costs a loss in respect of changes in fair value of derivatives listed above of $66.9 million in the year ended 31 December 2023 (31 December 2022: loss of $11.6 million) and a gain of $20.5 million in the year ended 31 December 2023 in relation to settled positions (31 December 2022: loss of $0.2 million).

1.21. Fair value measurements

Fair value measurements of financial instruments are presented through the use of a three-level fair value hierarchy that prioritizes the valuation techniques used in fair value calculations. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

The levels in the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

There were no transfers between fair value measurement levels between 31 December 2022 and 31 December 2023.

When measuring our interest rate, cross currency swaps and foreign exchange forward and option contracts at fair value on a recurring basis at both 31 December 2023 and 31 December 2022, we have measured these at level 2 in the fair value hierarchy with the exception of the fixed margin swap and contract derivative which are level 3. The fair value of those financial instruments is determined by using valuation techniques. These valuations techniques maximize the use of observable data where it is available and rely as little as possible on entity specific estimates.

The Group uses a market approach as part of its available valuation techniques to determine the fair value of derivatives. The market approach uses prices and other relevant information generated from market transactions.

The Group's finance department performs valuation of financial assets and liabilities required for financial reporting purposes as categorized at levels 2 and 3. The Group's derivatives are interest rate swaps, foreign exchange forward contracts, option contracts, commodity swap contract, fixed margin swap in our Mexican CHP business, contract derivative recognised on acquisition of Western Generation and cross currency swap contracts in our Cap des Biches project in Senegal.

The change in the fair value of the fixed margin swap since 31 December 2022 of $43.1 million is driven by the movement of market inputs, in particular the natural gas price, accounting for $11.6 million of the total variance and CFE tariff, accounting for $15.5 million of the total variance.

The sensitivity calculations on the CHP Mexico fixed margin swap liability show that (i) for an increase/decrease of 5% in the USD/MXN exchange rate, the fixed margin swap liability would decrease/increase by $7.78 million (31 December 2022: decrease/increase by $6.9 million), (ii) for an increase/decrease of 5% in the natural gas cost, the fixed margin swap liability will decrease/increase by $3.3 million (31 December 2022: decrease/increase by $3.2 million), (iii) for an increase/decrease of 25% in discount rates, the fixed margin swap liability will decrease/increase by $4.2 million (31 December 2022: decrease/increase by $1.6 million), and (iv) and for an increase/decrease of 5% in the CFE tariff, the fixed margin swap liability will increase/decrease by $13.0 million (31 December 2022: increase/decrease by $9.2 million). For the other level 3 derivative, the contract derivative recognised on acquisition of Western Generation, there are no reasonably possible sensitivities that could have a material impact.

Money market funds comprise investment in funds that are subject to an insignificant risk of changes in fair value. The fair value of money market funds is calculated by multiplying the net asset value per share by the investment held at the balance sheet date, we have measured these at level 2 in the fair value hierarchy.

1.22. Financial instruments by category

In $ millions As at 31 December 2022	Financial asset category Financial assets at amortized costs	Assets at fair value through profit and loss	Derivative used for hedging	Total net book value per balance sheet
Derivative financial instruments	-	0.4	96.9	97.3
Finance lease and financial concession assets	369.4	-	-	369.4
Trade and other receivables (1)	311.4	-	-	311.4
Other current assets	15.8	-	-	15.8
Other non-current assets (1)	40.8	-	-	40.8
Cash and cash equivalents	411.1	98.5	-	509.6
Total	**1,148.5**	**98.9**	**96.9**	**1,344.3**

In $ millions As at 31 December 2023	Financial asset category Financial assets at amortised costs	Assets at fair value through profit and loss	Derivative used for hedging	Total net book value per balance sheet
Derivative financial instruments	-	0.1	47.5	47.6
Finance lease and financial concession assets	340.8	-	-	340.8
Trade and other receivables [1]	377.9	-	-	377.9
Other current assets	0.9	-	-	0.9
Other non-current assets [1]	46.3	-	-	46.3
Cash and cash equivalents	273.5	264.7	-	538.2
Total	**1,039.4**	**264.8**	**47.5**	**1,351.6**

In $ millions As at 31 December 2022	Financial liability category Liabilities at fair value through profit and loss	Other financial liabilities at amortized cost	Derivative used for hedging	Total net book value per balance sheet
Borrowings	-	3,824.3	-	3,824.3
Derivative financial instruments	36.6	-	1.6	38.1
Trade and other payables	-	849.0	-	849.0
Other current liabilities (1)	-	209.0	-	209.0
Other non current liabilities	-	151.2	-	151.2
Total	**36.6**	**5,033.5**	**1.6**	**5,071.6**

In $ millions As at 31 December 2023	Financial liability category Liabilities at fair value through profit and loss	Other financial liabilities at amortized cost	Derivative used for hedging	Total net book value per balance sheet
Borrowings	-	4,069.3	-	4,069.3
Derivative financial instruments	83.6	-	30.1	113.7
Trade and other payables	-	661.9	-	661.9
Other current liabilities [1]	-	137.0	-	137.0
Other non current liabilities	-	61.6	-	61.6
Total	**83.6**	**4,929.8**	**30.1**	**5,043.5**

As of 31 December, 2023

(1) These balances exclude receivables and payables balances in relation to taxes and deferred revenue balance.

1.23. Other non-current assets

In $ millions	31 December 2023	2022
Kosovo receivables (1)	21.7	21.1
Other	25.2	19.8
Total other non-current assets	**46.9**	**40.9**

(1) Mainly relates to project development costs in Kosovo. The recoverability of the contract asset has been assessed under IFRS 9 and in the context of the arbitration disclosed in note 1.5.

1.24. Inventories

In $ millions	31 December 2023	2022
Emission allowance	429.0	656.6
Spare parts	63.3	55.5
Fuel	38.6	22.4
Other	19.4	30.6
Total	**550.3**	**765.1**
Provision	(0.2)	(1.2)
Impairment	(4.3)	-
Total inventories	**545.8**	**763.9**

Decrease in inventories mainly relates to the Group's Maritsa plant and the decrease in the Group's emission allowances during the year (see note 1.9).

1.25. Trade and other receivables

In $ millions	31 December 2023	2022
Trade receivables - gross	249.2	165.4
Accrued revenue (unbilled)	132.6	131.3
Provision for impairment of trade receivables	(18.4)	(13.7)
Trade receivables - Net	**363.4**	**283.0**
Other taxes receivables	31.4	37.1
Other receivables	14.5	28.5
Trade and other receivables	**409.3**	**348.5**

All trade and other receivables are short-term and the net carrying value of trade receivables is considered a reasonable approximation of the fair value. The ageing of trade receivables – net is presented in note 1.19.

All trade and other receivables are pledged as security in relation to the Group's project financing.

1.26. Other current assets

In $ millions	31 December 2023	2022
Prepaid expenses	37.7	20.5
Advances to suppliers	6.5	7.8
Other (1)	11.2	23.2
Other current assets	**55.4**	**51.6**

(1) In 2022 primarily corresponds to deposits in our Arrubal and Mexico CHP plants.

1.27. Cash and cash equivalents

Certain restrictions on the Group's cash and cash equivalents have been primarily imposed by financing agreements or long-term obligations. They mainly include short-term security deposits kept as collateral and debt service reserves that cover short-term repayments and which meet the definition of cash and cash equivalents. Money market funds comprise investments in funds that are subject to an insignificant risk of changes in fair value. 50.4% of our cash and cash equivalents as of 31 December 2023 is pledged as security in relation with the Group's project financings (31 December 2022: 76.9%); cash and cash equivalents includes $42.4 million as of 31 December 2023 (31 December 2022: $70.0 million) of cash balances relating to debt service reserves required by project finance agreements and $264.7 million in money market funds (31 December 2022: $98.5 million).

1.28. Equity

Issued capital

Issued capital of the Company amounted to $8.8 million as at 31 December 2023 (2022: $8.8 million). The Company's issued ordinary share capital ranks equally in all respects and carries the right to receive all dividends and distributions declared, made or paid on or in respect of the ordinary shares.

Allotted, authorised, called up and fully paid	Number	Nominal value in £	£ million	$ million
As at 31 December 2022	**663,048,789**	**0.01**	**6.6**	**8.8**
As at 31 December 2023	**663,048,789**	**0.01**	**6.6**	**8.8**

During the year, the Company paid no cash dividends (2022: $126.1 million) but declared a dividend of $539.2 million which was used to fully settle, on a non-cash basis, the intercompany receivable relating to the novation of the KKR acquisition loan.

In $ millions	Years ended 31 December 2023	2022
Declared during the financial year:		
Final dividend for the year ended 31 December 2021: 4.44650 US cents per share	-	29.3
Interim dividends for the year ended 31 December 2022: 14.7345 US cents per share	-	96.8
Dividend declared to fully settle, on a non-cash basis, the intercompany receivable relating to the novation of the KKR acquisition loan	539.2	-
Total dividends provided for or paid	**539.2**	**126.1**

Treasury shares

On 1 April 2020, the Company announced a buy-back programme of up to £30 million of ContourGlobal plc ordinary shares of £0.01 each ("Shares"), to initially run from 1 April 2020 to 30 June 2020, subsequently extended to 30 September 2020 then further extended to 31 December 2020 and then to 31 March 2021.

During the year ended 31 December 2021, the Company repurchased 2,624,774 treasury shares at an average price of 208.4 pence per share for an aggregate amount of GBP5.5 million ($7.4 million), representing 0.40% of its share capital and used 427,440 shares in respect of the 2018 Long Term Incentive Plan. Since the beginning of the buyback programme, the Company repurchased a net amount of 14,572,065 treasury shares, representing 2.17% of its share capital and a cumulative consideration paid of $37.8 million.

During 2022, 6,907,934 treasury shares were utilised relating to accelerated vesting of long-term incentive plans. The remaining 7,664,131 shares were then cancelled, following the de-listing of the Company from the London Stock Exchange on 21 December 2022, resulting in a closing balance of nil treasury shares as at 31 December 2022.

1.29. Non-controlling interests

The tables below provide summarized financial information for each subsidiary that has non-controlling interests that are material to the Group.

The amounts disclosed for each subsidiary are before inter-company eliminations.

In $ millions		Year ended 31 December 2022					
Non-controlling interest	**CG assets**	**Accumulated NCI**	**(Loss)/Profit allocated to NCI**	**Dividends paid to NCI**	**Distribution paid to NCI**	**Contribution received from NCI**	**Proportionate adjusted EBITDA NCI(1)**
Electrobras (49%)	Chapadas I (Wind Brazil)	17.9	(2.0)	-	-	3.9	7.6
Electrobras (49%)	Chapadas II (Wind Brazil)	35.4	(1.1)	-	-	2.2	8.0
NEK (27%)	Maritsa (Bulgaria)	53.3	-	-	16.6(2)	-	32.9
CG Aguila Holdings (20%)	Brazil Hydro and Brazil Solution		20.7	13.9	17.6	-	2.3
EIP Energy Infrastructure Holding (49%)	Italy Solar	6.8	0.4	1.3	6.2	-	19.8
EIP Energy Infrastructure Holding (49%)	Spain CSP	13.4	1.2	4.7	53.0	-	53.6
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	7.1	0.5	0.3	0.7	-	1.9
Other		1.5	2.5	3.3	24.4	-	14.8
Total		**135.4**	**22.2**	**23.5**	**118.5**	**6.1**	**140.9**

(1) Represents the non-controlling interest portion included in the Adjusted EBITDA, i.e., the difference between the Adjusted EBITDA and Proportionate adjusted EBITDA.

(2) Only reflects the payments of the Debt to NCI in our Maritsa asset disclosed in note 1.31.

As of 31 December, 2023

In $ millions		Year ended 31 December 2023					
Non-controlling interest	CG assets	Accumulated NCI	(Loss)/Profit allocated to NCI	Dividends paid to NCI	Distribution paid to NCI	Contribution received from NCI	Proportionate adjusted EBITDA NCI(1)
Electrobras (49%)	Chapadas I (Wind Brazil)	16.1	(3.1)	-	-	-	7.5
Electrobras (49%)	Chapadas II (Wind Brazil)	38.6	0.4	-	-	-	9.0
NEK (27%)	Maritsa (Bulgaria)	53.3	-	-	21.8(2)	-	34.5
EIP Energy Infrastructure Holding (49%)	Italy Solar	2.3	9.6	1.6	2.3	-	22.3
EIP Energy Infrastructure Holding (49%)	Spain CSP	17.5	7.9	3.8	40.5	-	62.0
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	7.2	0.5	0.5	0.1	-	1.9
Other		23.8	8.7	8.9	0.1	-	15.7
Total		**158.8**	**24.0**	**14.8**	**64.8**	**-**	**152.9**

(1) Represents the non-controlling interest portion included in the Adjusted EBITDA, i.e., the difference between the Adjusted EBITDA and Proportionate adjusted EBITDA.

(2) Only reflects the payments of the Debt to NCI in our Maritsa asset disclosed in the note 1.31.

As of 31 December, 2023

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

In $ millions		Year ended 31 December 2022					
Non-controlling interest	**CG assets**	**Non-current assets**	**Current assets**	**Non-current liabilities**	**Current liabilities**	**Revenue**	**Profit / (Loss)**
Electrobras (49%)	Chapadas I (Wind Brazil)	140.9	33.8	6.4	133.0	23.7	(4.1)
Electrobras (49%)	Chapadas II (Wind Brazil)	154.0	28.8	10.8	99.4	24.4	(2.1)
NEK (27%)	Maritsa (Bulgaria)	204.2	709.0	24.6	677.6	910.0	64.7
EIP Energy Infrastructure Holding (49%)	Italy Solar	221.4	50.7	210.7	51.9	48.4	(1.2)
EIP Energy Infrastructure Holding (49%)	Spain CSP	860.8	87.5	862.7	54.0	141.7	3.4
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	19.8	2.7	15.0	3.4	5.5	1.4

In $ millions		Year ended 31 December 2023					
Non-controlling interest	**CG assets**	**Non-current assets**	**Current assets**	**Non-current liabilities**	**Current liabilities**	**Revenue**	**Profit / (Loss)**
Electrobras (49%)	Chapadas I (Wind Brazil)	145.1	25.9	3.9	136.6	24.2	(6.2)
Electrobras (49%)	Chapadas II (Wind Brazil)	162.0	26.8	2.8	106.7	27.7	0.9
NEK (27%)	Maritsa (Bulgaria)	102.8	536.6	18.0	506.8	663.6	7.0
EIP Energy Infrastructure Holding (49%)	Italy Solar	196.8	35.8	191.9	40.2	53.3	19.2
EIP Energy Infrastructure Holding (49%)	Spain CSP	833.0	61.5	809.1	45.5	156.9	16.2
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	18.0	3.9	12.5	5.0	5.8	1.4

As of 31 December, 2023

In $ millions		Year ended 31 December 2022		
Non-controlling interest	CG assets	Net cash generated by operating activities	Net cash generated by investing activities	Net cash generated by financing activities
Electrobras (49%)	Chapadas I (Wind Brazil)	19.0	(0.1)	(9.4)
Electrobras (49%)	Chapadas II (Wind Brazil)	18.1	(1.9)	(10.3)
NEK (27%)	Maritsa (Bulgaria)	97.4	(11.3)	(93.4)
EIP Energy Infrastructure Holding (49%)	Italy Solar	33.2	33.7	(71.5)
EIP Energy Infrastructure Holding (49%)	Spain CSP	144.2	(11.6)	(123.1)
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	4.9	-	(5.0)

In $ millions		Year ended 31 December 2023		
Non-controlling interest	CG assets	Net cash generated by operating activities	Net cash generated by investing activities	Net cash generated by financing activities
Electrobras (49%)	Chapadas I (Wind Brazil)	13.9	(2.9)	(18.5)
Electrobras (49%)	Chapadas II (Wind Brazil)	16.1	(1.5)	(14.5)
NEK (27%)	Maritsa (Bulgaria)	102.8	(7.4)	(83.5)
EIP Energy Infrastructure Holding (49%)	Italy Solar	52.6	1.8	(44.3)
EIP Energy Infrastructure Holding (49%)	Spain CSP	74.0	(32.1)	(70.0)
Energie Burgenland and DH Energie (38%)	Deutsch Haslau (Austria Wind)	5.5	0.1	(5.0)

Considering the different natures of cash transactions with Non controlling interests ("NCI"), different categories are presented in the Consolidated statement of cash flows:

- Cash distribution to non-controlling interests: only reflects the payments done as payment of the Debt to NCI in our Maritsa asset disclosed in the Note 1.31.

- Dividends paid to NCI: reflects the payments to NCI in the form of dividends payments.

- Transactions with NCI (cash received): reflects the cash received from NCI usually in the form of capital contributions and proceeds from sell down transactions.

- Transactions with NCI (cash paid): reflects the payments/distributions to NCI in a form other than dividends (principally as capital reduction, shareholders' loans principal and interest repayments or payment for acquisition of non controlling interests).

Transactions with NCI are presented as financing activities in accordance with IAS 7.

1.30. Borrowings

Certain power plants have financed their power generation projects by entering into external financing arrangements which require the pledging of collateral and may include financial covenants as described below. The financing arrangements are generally non-recourse (subject to certain guarantees) and the legal obligation for repayment is limited to the borrowing entity.

The Group's principal borrowings with a nominal outstanding amount of $4,144.4 million in total as of 31 December 2023 (31 December 2022: $3,877.2 million) primarily relate to the following:

Type of borrowing	Currency	Project Financing	Issue	Maturity	Outstanding nominal amount 31 December 2023 ($ million)	Outstanding nominal amount 31 December 2022 ($ million)	Rate
Senior facility agreement (1)	EUR	Project level financing	2023	2030	1,021.0	-	EURIBOR/SOFR 6M
Corporate bond (2)	EUR	Corporate Indenture	2020	2026 2028	783.7	760.1	2.75%, 3.125%
Corporate bond (2)	EUR	Corporate Indenture	2018	2025	-	428.2	4.125%
Loan Agreement	USD	Mexican CHP	2019	2026	400.6	438.6	USD-LIBOR + 2.5%
Loan Agreement	USD	US and Trinidad and Tobago	2022	2027	291.8	305.5	SOFR 3M + 2.0%
Loan Agreement	EUR	Spanish CSP	2018	2026 2038	267.8	283.5	Fixed 5.8% and 6.7%
Loan Agreement	EUR	Spanish CSP	2018	2036	255.2	267.4	3.438%
Loan agreement (3)	EUR	Solar Italy	2023	2030	200.5	-	EURIBOR/SOFR 6M
Project bond	USD	Inka	2014	2034	148.9	157.9	6.0%
Loan agreement (3)	EUR	Solar Italy	2019	2030	-	152.9	EURIBOR 6M + 1.7%
Loan Agreement	EUR	Spanish CSP	2021	2028 2034	132.4	140.1	EURIBOR + 1.8% Fixed + 2.5%
Loan Agreement	EUR	Austria Wind	2013 2020	2027 2033	131.6	129.6	EURIBOR 6M + 2.45% and 4.305% / EURIBOR 3M+1.95% and 4.0% / EURIBOR 6M +1.55%
Loan Agreement / Debentures (4)	BRL	Chapada I	2015	2032 2029	-	106.8	TJLP + 2.18% / IPCA + 8%
Loan Agreement	USD	Vorotan	2016	2034	98.3	105.8	USD-LIBOR + 4.625%
Loan Agreement	USD	French Caribbean	2022	2027	97.0	102.2	SOFR 3M + 3.5%
Loan Agreement	USD	Cap des Biches	2015	2033	79.9	85.5	USD-LIBOR BBA (ICE)+3.20%
Loan Agreement (4)	BRL	Chapada II	2016	2032	-	70.2	TJLP + 2.18%
Loan Agreement (4)	BRL	Asa Branca	2021	2032	-	63.9	TJLP+ 6.25%
Loan Agreement	USD	Togo	2008	2028	53.5	63.2	7.16% (Weighted average)
Other Credit facilities (individually < $50 million)	Various	Various	2012 - 2021	2021 - 2034	182.2	215.8	Mix of fix and variable rates
Total					**4,144.4**	**3,877.2**	

As of 31 December, 2023

(1) In November 2023, the Group entered into a Senior Facility Agreement which comprised an €800 million term loan at the project level with split between three tranches with maturity of 5 and 7 years as well as a revolving credit facility of €150 million. The proceeds from this financing were used to repay in full the KKR bridge and acquisition loans.

(2) Corporate bond issued by ContourGlobal Power Holdings S.A. in July 2018 for €750 million dual-tranche, includes €450 million bearing a fixed interest rate of 3.375% maturing in 2023 and €300 million bearing a fixed interest rate of 4.125% maturing in 2025. In July 2019, a new €100 million corporate bond tap was added to the €300 million tranche bearing the same fixed interest rate of 4.125% maturing also in 2025. On 17 December 2020, two new Corporate bonds were issued by ContourGlobal Power Holdings S.A. for €410 million aggregate principal amount of 2.75% senior secured notes due in 2026 and €300 million aggregate principal amount of 3.125% senior secured notes due in 2028. On 6 January 2021, the Group redeemed the €450 million ($549.7 million) aggregate principal amount of its 3.375% senior secured notes due 2023. On 13 February 2023 the Group redeemed the €400 million ($428.2 million) aggregate principal amount of its 4.125% senior secured notes due in 2025.

(3) On November 10, 2023 ContourGlobal Solar Holdings (Italy) entered into a €202.5 million facilities agreement with Bank of America, Crédit Agricole Corporate and Investment Bank, Milan Branch, ING Bank N.V., Milan Branch, Intesa Sanpaolo (IMI Corporate & Investment Banking Division) and Banco BPM, which acted as Bookrunners and Mandated Lead Arrangers. In addition, Intesa Sanpaolo acted as Agent and Account Bank and Crédit Agricole Corporate and Investment Bank, Milan Branch, as Green Loan Coordinator, refinancing all the existing Italian Solar Plants facilities. The Facility bears interest at EURIBOR 6-month plus 1.50% per year and matures on 31 December 2030.

(4) Brazil Wind borrowings were reclassified in liabilities held for sale as of 31 December 2023 for a total of nominal debt of $263.3 million. (see note 1.6)

With the exception of the Group's corporate bond and corporate revolving credit facility, all external borrowings relate to project level or specific project financing. Except for the Senior facility agreement, specific project financings are generally non-recourse (subject to certain guarantees).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	31 December	
In $ millions	**2023**	**2022**
US Dollars	1,221.0	1,266.8
Euros	2,831.3	2,280.5
Brazilian Reals	-	261.2
Other	17.0	15.8
Total	**4,069.3**	**3,824.3**
Non-current borrowings	3,758.2	3,399.5
Current borrowings	311.1	424.8
Total	**4,069.3**	**3,824.3**

As of 31 December, 2023

The carrying amounts and fair value of the current and non-current borrowings are as follows:

	Carrying amount		Fair Value	
	Years ended 31 December		Years ended 31 December	
In $ millions	**2023**	**2022**	**2023**	**2022**
Credit facilities	3,143.4	2,482.5	3,138.1	2,474.8
Bonds	925.9	1,341.8	887.8	1,240.5
Total	**4,069.3**	**3,824.3**	**4,025.9**	**3,715.3**

Net debt as of 31 December 2023 and 2022 is as follows:

	31 December	
In $ millions	**2023**	**2022**
Cash and cash equivalents	538.2	509.6
Borrowings - repayable within one year	(304.5)	(411.8)
Borrowings - repayable after one year	(3,839.7)	(3,465.4)
Interest payable, deferred financing costs and other	75.1	52.9
IFRS 16 liabilities	(41.0)	(35.2)
Net debt	**(3,572.1)**	**(3,349.9)**
Cash and cash equivalents	538.2	509.6
Borrowings - fixed interest rates (1)	(3,601.8)	(3,562.8)
Borrowings - variable interest rates	(542.6)	(314.4)
Interest payable, deferred financing costs and other	75.1	52.9
IFRS 16 liabilities	(41.0)	(35.2)
Net debt	**(3,572.1)**	**(3,349.9)**

(1) Borrowings with fixed interest rates taking into account the effect of interest rate swaps.

As of 31 December, 2023

In $ millions	Cash and cash equivalents	Borrowings	IFRS 16 liabilities	Total net debt
As of 1 January 2022	**369.1**	**(4,176.1)**	**(30.2)**	**(3,837.2)**
Cash-flows	77.7	-	-	77.7
Acquisitions / disposals	17.3	(15.8)	-	1.5
Proceeds of borrowings	-	(396.4)	-	(396.4)
Repayments of borrowings	-	565.6	-	565.6
Repayments of borrowings and interests to NCI(1)	-	35.4	-	35.4
Liabilities held for sale	-	-	-	-
Currency translations differences and other	45.5	163.0	-	208.5
IFRS 16 liabilities net movement(2)	-	-	(5.0)	(5.0)
As of 31 December 2022	**509.6**	**(3,824.3)**	**(35.2)**	**(3,349.9)**
Cash-flows	79.9	-	-	79.9
Acquisitions / disposals	4.1	(2.2)	-	1.9
Proceeds of borrowings	-	(2,279.4)	-	(2,279.4)
Repayments of borrowings	-	1,871.2	-	1,871.2
Repayments of borrowings and interests to NCI(1)	-	40.7	-	40.7
Liabilities held for sale	(81.2)	263.3	-	182.1
Currency translations differences and other	25.8	(138.6)	-	(112.8)
IFRS 16 liabilities net movement(2)	-	-	(5.8)	(5.8)
As of 31 December 2023	**538.2**	**(4,069.3)**	**(41.0)**	**(3,572.1)**

(1) Refers to repayment of shareholders' loans principal and interest with NCI included in the consolidated statement of cash flows on the line "Transactions with non-controlling interest holders, cash paid" related to CSP Spain (note 1.29).

(2) IFRS 16 liabilities net movement includes nil million for assets acquired through business combination, -$10.8 million lease additions (2022: -$12.8 million), $6.7 million lease payments (2022: $6.9 million), $0.3 million for liabilities recognised as held for sale (2022: nil) and $1.9 million currency translation adjustment (2022: $0.9 million).

Debt covenants and restrictions

The Group's borrowing facilities are subject to a variety of financial and non-financial covenants. The most significant financial covenants include debt service coverage ratio; leverage ratio; debt to equity ratio; equity to assets ratio; loan life coverage ratio and decreasing senior debt to total debt ratio.

Non-financial covenants include the requirement to maintain proper insurance coverage, enter into hedging agreements, maintain certain cash reserves, restrictions on dispositions, scope of the business, and mergers and acquisitions.

These covenants are monitored appropriately to ensure that the contractual conditions are met.

The following technical breaches in an agreement condition were noted at year end:

- Following a change in external auditor in Togo, we did not seek consent as was required under the relevant loan agreement resulting in ContourGlobal Togo being in breach at 31 December 2023. As a result the full carrying value of the loan of $53.6 million is presented in current borrowings.

- There is a technical breach in a minor condition regarding the number of authorised offshore bank accounts in relation to the financing of our Cap des Biches asset. The Group has performed a technical analysis and concluded that it has an unconditional right to defer payment for at least 12 months and hence $73.8 million of debt is presented as non-current in line with the contracted repayment schedule.

The Company has a financing agreement with the Brazilian Development Bank (BNDES) which has covenants clauses. As established in this agreement, the Company calculated the Debt Service Coverage Ratio (DSCR) for the closing of 31 December 2023 and the minimum ratio required was not reached. Given the Brazilian business is currently held for sale, the associated $261.4 million of debt is presented in liabilities held for sale.

Securities given

The Corporate bond, Revolving Credit Facility and UniCredit LC facility at CG Power Holdings level are secured by pledges of shares of certain subsidiaries (ContourGlobal LLC, ContourGlobal Spain Holding Sàrl, ContourGlobal Bulgaria Holding Sàrl, ContourGlobal Latam Holding Sàrl, ContourGlobal Terra Holdings Sàrl and ContourGlobal Worldwide Holdings Sàrl), and guarantees from ContourGlobal Limited, and the above subsidiaries.

Guarantees are also given to HSBC Bank USA National Association, JP Morgan Securities plc, and Mizuho Capital Markets LLC in relation to the hedging instruments existing at ContourGlobal Power Holdings S.A.

As of 31 December, 2023

Project financing	Facility	Maturity	Security / Guarantee given
CSP Spain (excluding Alvarado)	Long Term Facility	2036	First ranking security interest in the shares of all the entities in the borrower group plus pledge of receivables and project accounts. Assignment of insurances.
Alvarado 2021	Long Term Facility	2034	Pledge over all the shares of the Borrower, Pledge over the Borrower's Accounts, Pledge over all credit rights of the Borrower under Major Project Documents and the Hedging Agreements to which it is a party, Promissory mortgage over the Project assets. ContourGlobal Limited guarantee in case of Tax Group Exit.
Asa Branca 2021	Debentures	2033	Chattel mortgage of shares of the Issuer and the SPE, fiduciary assignment of all dividends as a result of Issuer's and the SPE's shares.
Austria Wind Refinancing 2020	Long Term Facility	2043	Share pledge on the Borrower and each Obligor, pledge of receivables, pledge over accounts, step in rights agreements in Project Contracts.
Berg 2021	Long Term Facility	2035	First ranking security over the shares held in the Borrower, Assignment over the Borrower's rights under Project Documents, pledge over project accounts, pledge over the windfarm superstructures (Superädifikate).
Caribbean 2021	Long Term Facility	2026	Pledge of shares, Pledge over project accounts, Pledge of Receivables ContourGlobal Limited guarantee on Debt service reserve facility and Working Capital facility.
Inka	Senior secured notes	2034	Pledge of shares of Energia Eolica SA, EESA assets, accounts, assignment of receivables of the project contracts and insurances.
Chapada I	Long Term Facility	2032	Pledge of shares of Chapada I SPVs and Holding, SPVs assets, accounts, assignment of receivables of the project contracts and insurances. ContourGlobal Limited guarantee to LC providers in case Chapada I cannot serve debt.
Vorotan	Long Term Facility	2034	Pledge of shares of ContourGlobal HydroCascade CSJC assets and project accounts, assignment of receivables arising from the project contracts and insurances.
Chapada II	Long Term Facility	2032	Pledge of shares of Chapada II SPVs and Holding, SPVs assets, accounts, assignment of receivables of the project contracts and insurances.
Cap des Biches	Credit Facility	2033	Pledge over CG Senegal and CG Cap des Biches Sénégal shares, pledge over the project accounts, charge over the assets of CG Cap des Biches Sénégal, assignment of receivables of CG Cap des Biches Sénégal and the insurance policies, direct agreement on the project contracts.
Togo	Loan agreement	2028	ContourGlobal Limited guarantee on cash shortfall for Debt service, and (i) a pledge of CG Togo LLC and CG Togo SA capital stock, (ii) a charge on equipment, material and assets of CG Togo SA, (iii) the assignment of receivables of CG Togo SA, (iv) the assignment of insurance policies, and (v) a pledge on the project accounts.
Kivuwatt	Financing Arrangement	2026	- Secured by, among others, (i) KivuWatt Holdings' pledge of all of the shares of KivuWatt held by KivuWatt Holdings, (ii) certain of KivuWatt's bank accounts and (iii) KivuWatt's movable and immovable assets. - ContourGlobal Limited $1.2 million guarantee for the benefit of KivuWatt under the PPA and Gas Concession to the Government of Rwanda and to Electrogaz (outside of the loan guarantee). - $8.5million ContourGlobal Limited guarantee to cover DSRA as of 31 December 2023.
Chapada III	Long Term Facility	2032	Pledge of shares of Chapada III SPVs and Holding, SPVs assets, accounts, assignment of receivables of the project contracts and insurances. Corporate guarantee from ContourGlobal do Brazil Holding Ltda until Financial Completion.
Hobbs	Long Term Facility	2027	Pledge over shares of the borrower, pledge over the project accounts, mortgage over the assets, assignment of the insurance policies.
Mexican CHP	Long Term Facility	2026	Pledge of the CGA I and CELCSA shares, assets and accounts, assignment of receivables and insurance policies. $35.0m ContourGlobal Limited guarantee for the Debt Service Reserve Account.
Raiffeisen Windparks	Long Term Facility	2026	Pledge of Project Accounts. Pledge of shares. Pledge of rights under Project Contracts.
Solar Italy	Long Term Facility	2030	Pledge over Project Accounts. Pledge over shares. Assignment of Receivables of Borrower and SPVs.
Solar Slovakia	Long Term Facility	2030	Pledge over receivables. Pledge over movables. Pledge of ownership interest. Mortgage over real estate property.
Trautsmannsdorf	Long Term Facility	2034	Pledge of Project Accounts. Pledge of shares. Pledge of rights under Project Contracts.
Waterside	Long Term Facility	2024	Assignment of membership interests. Assignment of rights under the Operating Agreement. Assignment of " Additional Membership Interests ". Assignment of rights appurtenant to property. Assignment of proceeds from collateral.
WGP	Long Term Facility	2023	Pledge of stock. Pledge of Debt Securities. Pledge of receivables. Pledge of shares. Mortgage of property.
Zistersdorf	Long Term Facility	2027	Pledge of share. Pledge of Project property or Trumpet Area. Pledge of DSRA. Assignment of the retention of title to the privileged portions of the Wind Turbine Systems. Assignment of rights under Project Agreements.

1.31. Other non-current liabilities

In $ millions	31 December 2023	2022
Debt to non-controlling interest [(1)]	-	10.6
Deferred payments on acquisitions [(2)]	-	29.7
IFRS 16 lease liabilities	35.2	29.8
Other [(3)]	35.2	88.4
Total other non-current liabilities	**70.4**	**158.5**

(1) Debt to non-controlling interests: relates to a liability recognised on acquisition of the Maritsa plant in 2011 which was initially recognised at fair value based on the best estimate of the future obligations to settle the liability over the contracted life of the plant and subsequently measured at amortised cost. As of 31 December 2023, the remaining portion of the amortised cost of $10.6 million was reclassified to current liabilities.

In $ millions	31 December 2023	2022
Beginning of the year	**21.1**	**32.6**
Dividends paid	(21.7)	(16.6)
Unwinding of discount	-	-
True up of forecasted dividend	11.1	7.2
Currency translation adjustments	0.4	(2.1)
End of the year	**10.9**	**21.1**
Current liabilities	10.9	10.5
Non-current liabilities	-	10.6
As of 31 December	**10.9**	**21.1**

(2) As of 31 December 2023, deferred payments and earn-outs on acquired entities related to deferred payments to be made to initial developers of certain Brazil Wind assets of $15.9 million were reclassified in liabilities held for sale (31 December 2022: $12.0 million) and the earn-out relating to the acquisition of our Borger assets in the United States of $17.7 million was reclassified in other current liabilities (31 December 2022: $17.7 million).

(3) Mainly relates to $23.0 million at 31 December 2023 (31 December 2022: $15.0 million) in relation to Spain CSP, which represents the excess cash received based on the net market price compared to the pre-established prices for the current regulatory period, which will be settled over future regulatory periods. Contractual obligations in Brazil, including shortfall and penalties when wind asset generation falls below contracted PPA of $15.0 million were reclassified in liabilities held for sale in 2023 (31 December 2022: $23.0 million).

As of 31 December, 2023

1.32. Provisions

In $ millions	Decommissioning / Environmental / Maintenance provision	Legal and other	Total
As of 1 January 2022	**72.3**	**18.3**	**90.6**
Additions	5.5	2.9	8.4
Unused amounts reversed	(21.8)	(1.4)	(23.2)
Amounts used during the period	(3.3)	(0.4)	(3.7)
Currency translation differences and other	2.4	(0.8)	1.6
As of 31 December 2022	**55.0**	**18.6**	**73.6**
Additions	8.2	3.1	11.3
Unused amounts reversed	(2.9)	(6.3)	(9.2)
Amounts used during the period	(0.6)	(0.3)	(0.9)
Liabilities held for sale (note 1.6)	(4.6)	(0.5)	(5.1)
Currency translation differences and other	3.4	-	3.4
As of 31 December 2023	**58.5**	**14.6**	**73.2**

Provisions have been analysed between current and non-current as follows:

In $ millions	Decommissioning / Environmental / Maintenance provision	Legal and other	Total
Current liabilities	0.2	12.3	12.5
Non-current liabilities	54.9	6.3	61.2
As of 31 December 2022	**55.1**	**18.6**	**73.7**
Current liabilities	0.1	6.5	6.6
Non-current liabilities	58.4	8.1	66.6
As of 31 December 2023	**58.5**	**14.6**	**73.2**

Site decommissioning provisions are recognised based on assessment of future decommissioning costs which would need to be incurred in accordance with existing legislation to restore the sites and expected to occur between 1 and 22 years.

Legal and other provisions include amounts arising from claims, litigation and regulatory risks which will be utilized as the obligations are settled and includes sales tax and interest or penalties associated with taxes.

Legal and other provisions have some uncertainty over the timing of cash outflows.

1.33. Share-based compensation plans

ContourGlobal long-term incentive plan

There were no long-term incentive plans in place during 2023 and hence no impact on the current year financial statements.

On 11 August 2022, a fifth grant of performance shares was made under the long term incentive plan ("LTIP") with awards over a total of 2,111,090 ordinary shares of 1 pence in ContourGlobal Limited granted to eligible employees (the "participants"). Given the transaction was in progress at the point of issuing these LTIPs, only one third of the plan shares would vest on completion of the KKR transaction. The performance conditions were consistent with historical LTIPs:

i) EBITDA condition: 50.0 % of award to the compounded annual growth rate of the Company's EBITDA over the Performance Period.

ii) IRR condition: 25.0 % of award to the internal rate of return on qualifying Company projects over the Performance Period.

iii) LTIR condition: 25.0 % of award to the lost time incident rate of the Company over the Performance Period.

The LTIPs are considered to be equity-settled share-based incentives, presented within selling, general and administrative expenses in the consolidated statement of income.

The likelihood of these conditions was estimated internally taking into consideration the performance of the business during the year and the expectation of whether or not the conditions would be met.

Awards granted during the period included dividend equivalents and hence their fair value was estimated as being equal to the share price ($3.14) on grant date with no other assumptions being incorporated into the valuation.

Including this grant, restricted shares were granted under the "LTIP" with awards over a total of 234,920 ordinary shares of 1 pence in ContourGlobal Limited to eligible employees (the "participants"). These shares will vest on 11 August 2025 subject to the participant's continued service.

The Group's charge for equity-settled share-based incentives for the year ended 31 December 2022 of $2.1 million has been included within Selling, general and administrative expenses in the consolidated statement of income.

In connection with the recommended cash acquisition by Cretaceous Bidco Limited of the entire issued and to be issued ordinary share capital of ContourGlobal, on 16 December 2022 (or 20 December 2022 in respect of Joseph C. Brandt's deferred bonus award), the performance share awards granted for the grant periods 2020 to 2023, for 2021 to 2024, and for 2022 to 2025 granted on 11 August 2020, 17 May 2021 and 11 August 2022 respectively under the Company's Long Term Incentive Plan (the 'Plan'), and the deferred bonus awards granted under the Plan, were subject to accelerated vesting over such number of shares in the Company.

As a consequence, the Group recorded in 2022 an accelerated vesting impact of $3.7 million recorded in "acquisition and other transactions related items" in the consolidated statement of income.

As of 31 December, 2023

The movements on awards made under the LTIP are as follows:

	Number of shares
Outstanding as of 31 December 2021	**6,438,031**
Granted during the year	2,160,085
Forfeited	(1,524,969)
Vested	(7,073,147)
Outstanding as of 31 December 2022	**-**

1.34. Trade and other payables

In $ millions	31 December 2023	31 December 2022
Trade payables	134.5	105.5
Accrued expenses	527.4	743.5
Trade and other payables	**661.9**	**849.0**

The decrease mainly comes from lower Maritsa CO2 liabilities due to lower generation and lower CO2 price.

1.35. Other current liabilities

In $ millions	31 December 2023	31 December 2022
Deferred revenue	4.2	8.1
Deferred payment on acquisition (1)	12.1	16.9
Other taxes payable	41.9	52.7
IFRS 16 lease liabilities	5.8	5.4
Other (2)	119.1	186.6
Other current liabilities	**183.1**	**269.8**

(1) As of 31 December 2023, deferred payments and earn-outs on acquisition relate the acquisition of our Borger assets in the United States (31 December 2022: $16.9 million related to deferred payment for inventories acquired by Spain CSP from their previous owner).

(2) Mainly relates to Arrubal CO2 quota for $42.9 million at 31 December 2023 (31 December 2022: $40.9 million), Maritsa current portion of the non-controlling interest debt for $10.9 million at 31 December 2023 (31 December 2022: $10.5 million); Maritsa CO2 quota for $28.7 million at 31 December 2023 (31 December 2022: $6.9 million). Contractual obligations in Brazil, including shortfall and penalties when wind asset generation falls below contracted PPA of $109.7 million were reclassified in liabilities held for sale in 2023 (31 December 2022: $94.8 million).

In the case of the shortfall and penalties for the Brazilian Wind assets, there is limited estimation uncertainty as the shortfall and penalties are calculated based on factual information, the actual power generated.

As of 31 December, 2023

1.36. Group undertakings

ContourGlobal Limited owns (directly or indirectly) only ordinary shares of its subsidiaries.

ContourGlobal Limited	United Kingdom	Tintagel House, 92 Albert Embankment, London, United Kingdom, SE1 7TY

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
ContourGlobal Hydro Cascade CJSC	100%	Armenia	AGBU building; 2/2 Meliq-Adamyan str.,0010 Yerevan, Armenia
ContourGlobal erneuerbare Energie Europa GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
Windpark HAGN GmbH	95%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
Windpark HAGN GmbH & Co KG	95%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
Windpark Deutsch Haslau GmbH	62%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Windpark Zistersdorf Ost GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Windpark Berg GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Windpark Scharndorf GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Windpark Trautmannsdorf GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Windpark Velm GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Management Europa GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Wind Holding GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Development GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
ContourGlobal Beteiligung GmbH	100%	Austria	Fleischmarkt 1, Top 01, Vienna 1010, Austria
Carib Power SRL	100%	Barbedos	The Corporate Secretary Ltd, White Park House, Bridgetown, Barbedos
ContourGlobal Maritsa East 3 AD	73%	Bulgaria	48 Sitnyakovo Blvd; 9-th fl., Sofia 1505, Bulgaria
ContourGlobal Operations Bulgaria AD	73%	Bulgaria	TPP ContourGlobal Maritsa East 3, Mednikarovo village 6294, Galabovo District, Stara Zagora Region, Bulgaria
ContourGlobal Management Sofia EOOD	100%	Bulgaria	Serdika offices, 48 Sitnyakovo Blvd; 9-th fl., Sofia 1505, Bulgaria
ContourGlobal Development Bulgaria AD	100.0	Bulgaria	Serdika offices, 48 Sitnyakovo Blvd; 9-th fl., Sofia 1505, Bulgaria
Contour Global Do Brasil Holding Ltda	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana IX Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana X Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana XI Energias Renováveis S.A	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana XII Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana XIII Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana XV Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana XVI Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca Holding S.A.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
Tespias Geração de Energia Ltda.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca IV Energias Renováveis SA	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca V Energias Renováveis SA	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca VI Energias Renováveis SA	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca VII Energias Renováveis SA	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Asa Branca VIII Energias Renováveis SA	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana I Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana III Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana IV Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana V Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santa Joana VII Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santo Augusto IV Energias Renováveis S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Chapada do Piauí I Holdings S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santo Augusto III Energias Renováveis S.A.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Ventos de Santo Augusto V Energias Renováveis S.A.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Desenvolvimento S.A.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Chapada do Piauí II Holding S.A.	51%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
Chapada do Piauí III Holding S.A.	100%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Solutions Balsa Ltda	80%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Solutions Rio Ltda	80%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Solutions Mogi Ltda	80.0	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Solutions Holding Ltda	80%	Brazil	Rua James Joule, 65, conj. 161– Cidade Monções – São Paulo -SP- BR - CEP 04576-080, Brasil
ContourGlobal Riptide Chile Holdco SpA	100%	Chile	Av. Apoquindo 3721, Las Condes, Chile
TermoemCali I S.A. E.S.P.	62%	Colombia	Carrera 5A Nº 71-45, Bogotá, Colombia
ContourGlobal LATAM S.A.	100%	Colombia	Carrera 7 No. 74-09, Bogota, Colombia
Compañía Eléctrica de Sochagota S.A. E.S.P.	100%	Colombia	Carrera 14 No. 20-21 Local 205A, Plaza Real, Tunja, Colombia
ContourGlobal Solutions Holdings Ltd	100%	Cyprus	Capital Center, 2-4 Arch, Makarios III Avenue, 9th Floor, Nicosia 1065, Cyprus
ContourGlobal Solutions Ltd	100%	Cyprus	Capital Center, 2-4 Arch, Makarios III Avenue, 9th Floor, Nicosia 1065, Cyprus
Selenium Holdings Ltd	100%	Cyprus	Capital Center, 2-4 Arch, Makarios III Avenue, 9th Floor, Nicosia 1065, Cyprus
ContourGlobal La Rioja, S.L	100%	Spain	Arrúbal Power Plant, Polígono Industrial El Sequero, 26150 Arrúbal, La Rioja, Spain.

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
Contourglobal Termosolar Operator S.L.	100%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
ContourGlobal Termosolar, S.L.	51%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Rústicas Vegas Altas, S.L.	51%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Termosolar Majadas, S.L.	51%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Termosolar Palma Saetilla, S.L.	51%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Termosolar Alvarado, S.L.	51%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Crasodel Spain SL	100%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
ContourGlobal CA&C Holdings S.L.	100%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Contourglobal Colombia Holding SLU	100%	Spain	Calle Orense, número 34, 7º piso - 28020 Madrid, Spain
Energies Antilles	100%	France	8, Avenue Hoche 75008 Paris
Energies Saint-Martin	100%	France	8, Avenue Hoche 75008 Paris
ContourGlobal Saint-Martin SAS	100%	France	5 Rue du Gal de Gaulle, 8 Immeuble le Colibri Marigot,97150 Saint-Martin
ContourGlobal Management France SAS	100%	France	Immeuble Imagine 20-26 boulevard du Parc 92200 Neuilly-sur-Seine
ContourGlobal Worldwide Holdings Limited	100%	Gibraltar	Hassans, Line Holdings Limited, 57/63 Line Wall Road, Gibraltar
ContourGlobal Helios S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Solar Holdings (Italy) S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Oricola S.r.l.	100%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Solutions (Italy) S.R.L.	100%	Italy	Via T. Grossi 2, Milan 20121, Italy
Portoenergy S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Officine Solari Barone S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Officine Solari Camporeale S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Contourglobal Mediterraneo S.r.l	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Officine Solari Aquila S.r.l.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Energetica S.R.L.	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Eight Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Green Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Industrial Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Light Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
ContourGlobal One Srl	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Sole Srl	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
Solar 6 S.R.L.	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
BS Energia New S.R.L.	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Management Italy S.R.L.	100%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT35 - ContourGlobal Horus srl	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT36 - Green Hunter Group Spa	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT37 - Green Hunter Spa	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT38 - Actasol 5 S.R.L.	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT39 - Actasol 6 S.R.L.	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
IT40 - Cinque S.R.L.	51%	H2PC21223 - Italy	Via T. Grossi 2, Milan 20121, Italy
Spf Energy Uno Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Spf Energy Due Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
Spf Energy Tre Srl	51%	Italy	Via T. Grossi 2, Milan 20121, Italy
ContourGlobal Kosovo L.L.C.	100%	Kosovo	Anton çeta 5a 1000 Pristina Republic of Kosovo
ContourGlobal Luxembourg S.àr.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
Kani Lux Holdings S.à r.l.	80%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Africa Holdings S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Bulgaria Holding S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Spain Holding S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Latam Holding S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
Vorotan Holding S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Terra 2 S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Terra 3 S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Development Holdings S.à r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Terra 5 S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Terra 6 S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Solutions Holdings S.a.r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
ContourGlobal Senegal Holdings S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Terra Holdings S.à r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Power Holdings S.A.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Worldwide Holdings S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror 1 S.à.r.l	51%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror 2 S.à.r.l	51%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror 3 S.à.r.l	51%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Spain O&M HoldCo S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Intermediate O&M S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Ursaria 3 S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror 7 S.à.r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror 4 S.à.r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Africa Topoco S.à.r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Africa Energy S.à.r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Arrubal S.à.r.l	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Armenia Renewables Sarl	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Italy Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Austria Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Peru Midco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Solar Italy S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Italy Midco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mexico Midco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Mirror Midco S.a.r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Solutions Topco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Arrubal Topco S.a r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Finance Holding S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Finance Holding Topco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
ContourGlobal Mexico Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Caribbean Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
ContourGlobal Peru Holdco S.à r.l.	100%	Luxembourg	5 Rue de Strasbourg, L-2561 Luxembourg, Grand Duchy of Luxembourg
Aero Flash Wind, S.A.P.I. DE C.V.	75%	Mexico	Boulevard agua caliente 10611, Tijuana, Baja California, Mexico
ContourGlobal holding de generación de energía de México	100%	Mexico	Av. Ricardo Margain Zozaya, Torre 2, Piso 12, No. ext. 335, Col. Valle del Campestre, San Pedro Garza García, Nuevo León, C.P. 66265
ContourGlobal Servicios Administrativos de generación	100%	Mexico	Av. Ricardo Margain Zozaya, Torre 2, Piso 12, No. ext. 335, Col. Valle del Campestre, San Pedro Garza García, Nuevo León, C.P. 66265
ContourGlobal Servicios Operacionales de México	100%	Mexico	Av. Ricardo Margain Zozaya, Torre 2, Piso 12, No. ext. 335, Col. Valle del Campestre, San Pedro Garza García, Nuevo León, C.P. 66265
Cogeneración de Altamira, S.A. DE C.V.	100%	Mexico	Highway Tampico – Mante km 17.5, postal code 89603 - Colony Name - Puerto Industrial de Altamira, Mexico
Cogeneración de Energía Limpia De Cosoleacaque S.A De C.V.	100%	Mexico	Building Buena Vista de Torres, without number postal code 96340 - Colony Name - Cosoleacaque. Mexico
KivuWatt Holdings	100%	Mauritius	4th Floor, Tower A, 1CyberCity, c/o Citco (Mauritius) Limited, Ebene, Mauritius
ContourGlobal Solutions (Nigeria) Ltd	100%	Nigeria	2nd Floor, Moji Brimmo Akewusola House, No. 4 Salvation Road Opebi, Ikeja, Nigeria
Contourglobal Bonaire B.V.	100%	Netherlands	Kaya Carlos A. Nicolaas 3 , Bonaire, Netherlands
Energía Eólica S.A.	100%	Peru	Av. Ricardo Palma 341, Office 306, Miraflores, Lima 18, Peru
ContourGlobal Peru SAC	100%	Peru	Av. Ricardo Palma 341, Office 306, Miraflores, Lima 18, Peru
Energía Renovable Peruana S.A.	100%	Peru	Av. Ricardo Palma 341, Office 306, Miraflores, Lima 18, Peru
Energía Renovable del Norte S.A.	100%	Peru	Av. Ricardo Palma 341, Office 306, Miraflores, Lima 18, Peru
ContourGlobal Solutions (Poland) Sp. Z o.o.	100%	Poland	Warsaw (00-133) on Aleja Jana Pawła II, Poland
ContourGlobal Solutions (Ploiesti) S.R.L.	100%	Romania	Ploeisti, 285 Gheorge Grigore, Cantacuzino street, Prahova County, Ploeisti, Romania
Petosolar S.R.L.	100%	Romania	7 Ghiocei street, ap. 1, Panciu locality, Panciu city, Vrancea county, Romania
Kivu Watt Ltd	100%	Rwanda	Plot 9714, Nyarutarama, P. O. Box 6679, Kigali, Rwanda
RENERGIE Solarny Park Holding SK I a.s.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
PV Lucenec S.R.O.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Rimavské Jánovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Dulovo s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Gemer s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Hodejov s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Jesenské s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Nižná Pokoradz s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
RENERGIE Solárny park Riečka s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Rohov s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Starňa s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Včelince 2 s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Hurbanovo s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
AlfaPark s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Druhá slnečná s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
SL03 s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Bánovce nad Ondavou s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Bory s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Budulov s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Kalinovo s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
ZetaPark Lefantovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny Lefantovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Michalovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Nižný Skálnik s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Otročok s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Paňovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Gomboš s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Rimavská Sobota s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Horné Turovce s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Uzovská Panica s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
RENERGIE Solárny park Zemplínsky Branč s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
ZetaPark s.r.o.	51%	Slovak Republic	Pribinova 25, 811 09 Bratislava,Slovakia
ContourGlobal Cap des Biches Senegal S.à r.l.	100%	Senegal	2, Place de L'Indépendance, Dakar, BP 23607, Senegal
ContourGlobal Togo S.A.	100%	Togo	Route D'Aného, Baguida, BP 3662 , Lomé - Togo
ContourGlobal Trinity Power Ltd	100%	Trinidad and Tobago	P.O. BAG 498, Railway Road, Dow Village, Couva, Trinidad and Tobago, W.I.
ContourGlobal Solutions Ukraine LLC	100%	Ukraine	32, Konstantiniska street, 04071 Kiev, Ukraine

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
ContourGlobal Solutions (Northern Ireland) Limited	100%	United Kingdom	6th Floor Lesley Tower, 42-26 Fountain Street, Belfast BT1 5EF, Ireland
ContourGlobal Europe Limited	100%	United Kingdom	55 Baker Street, London, United Kingdom, W1U 8EW
Contour Global Hummingbird UK Holdco I Ltd	100%	United Kingdom	55 Baker Street, London, United Kingdom, W1U 8EW
Contour Global Hummingbird UK Holdco II Ltd	100%	United Kingdom	55 Baker Street, London, United Kingdom, W1U 8EW
Contour Global LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Contour Global Management Inc	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
ContourGlobal Services Brazil LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
ContourGlobal Togo LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
ContourGlobal Senegal Holdings LLC	100%	US	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808
ContourGlobal Senegal LLC	100%	US	1209 Orange Street, Corporation Trust Center, Wilmington, Delaware 19801
CG Solutions Global Holding Company LLC	100%	US	Corporation Trust Center, 1209 Orange Street, Corporation Trust Center, Wilmington, Delaware 19801
Lea Power Partners, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Borger Energy Associates, LP	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Waterside Power, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Badger Creek Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Bear Mountain Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Chalk Cliff Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Live Oak Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
McKittrick Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Kern Front Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Double C Generation Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
High Sierra Limited	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
WCAC Operating Company California, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
WGP Holdings II, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
WG Partners Holdings, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
WG Partners Acquisition, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
ContourGlobal Hummingbird US HoldCo Inc.	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
ContourGlobal US Holdco Inc.	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America

As of 31 December, 2023

Consolidated subsidiaries	Ownership	Country of incorporation	Registered address
Hobbs Power Funding, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Waterside Power Funding, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
WGP Redwood Holdings, LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
LSP-Borger, Inc	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Juniper Generation LLC	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Live Oak Cogen, L.L.C.	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America
Brea Canyon Cogen, L.L.C.	100%	US	888 Westheimer, Suite 300, Houston, TX 77006, United States of America

Investments in associates accounted under the equity method:	Ownership	Country of incorporation	Registered address
Evacuacion Villanueva des Rey, S.L.	18%	Spain	Calle Orense 34, 7ª planta, 28020 Madrid, Spain

During the year ended 31 December 2023 the only change in ownership are related to Termoemcali (previous ownership 37.37% see note 1.6).

1.37. Related party disclosure

ContourGlobal L.P. and Kohlberg Kravis Roberts & Co. L.P.

As of 31 December 2023, ContourGlobal Limited and its subsidiaries have no significant trading relationship with the Group's main shareholder, Cretaceous Bidco Limited and Kohlberg Kravis Roberts & Co. L.P. which ultimately controls ContourGlobal Limited. It is the Directors' expectation that the smallest and largest group of undertakings which ContourGlobal Limited forms part of Cretaceous Holdco 1 S.à r.l and these consolidated accounts will be lodged with the Luxembourg trade and business register where they are publicly available.

Key management personnel

Compensation paid to key management (executive and non-executive committee members) amounted to $5.9 million at 31 December, 2023 (31 December, 2022: $15.3 million).

In $ millions	Years ended 31 December 2023	2022
Salaries and short-term employee benefits	4.6	5.4
Termination benefits	0.5	0.2
Post employment benefits	-	-
Profit-sharing and bonus schemes	0.8	4.9
Non-executive Directors' emoluments	-	0.8
Other share based payments	-	4.0
Total	**5.9**	**15.3**

Directors emolument note

In $ millions	Years ended 31 December 2023	2022
Aggregate emoluments	3.0	6.2
Total	**3.0**	**6.2**

The emolument to the highest paid director in the year amounts to $1.3 million (2022: $7.0 million). In 31 December 2022, the highest paid director also received and exercised shares in respect of qualifying services under the Long Term Incentive Plan (see note share-based compensation plans 1.33).

No director received payments into a defined benefit contribution plan in 2023 and 2022.

No directors exercised shares under the long term incentive plan during the year (2022: two directors)

No directors received shares under the long term incentive plan in 2023 (2022: two directors).

1.38. Financial commitments and contingent liabilities

a) Commitments

The Group has contractual commitments with, among others, equipment suppliers, professional service organizations and EPC contractors in connection with its power projects under construction that require payment upon reaching certain milestones.

The Group has contractual arrangements with Operating and Maintenance (O&M) providers and transmission operators in relation to certain of its operating assets. Maritsa has a long-term Lignite

Supply Agreement (LSA) with Maritsa Iztok Mines (MMI) for the purchase of lignite. According to the agreement, Maritsa has to purchase minimum monthly quantities, amounting to 6,187 thousand standard tons per calendar year. The total commitment through the remaining term of the LSA (February 2024) is 862 thousand standard tons, equal to $9.1 million at December 2023 prices ($10.56 per standard ton), as compared to 7,218 thousand standard tons equal to $74.0 million at the end of 2022 ($10.25 per standard ton). In the event of a failure on the part of CG Maritsa East 3 AD (ME-3) to take a minimum monthly quantity in any month, ME-3 shall, except in cases caused by Force Majeure and certain actions of Bulgarian authorities as described in the contract, pay to MMI an amount equal to the difference between (i) the aggregate amount paid or payable in respect of lignite delivered during such month and (ii) the aggregate amount that would have been payable had the minimum monthly quantity been taken during such month.

The Group also has agreements related to our Austria Wind project repowering started in 2017. As of 31 December 2023, we are committed to purchase €4.4 million ($4.7 million) worth of equipment and installation during 2024 (31 December 2022 $4.2 million).

b) Contingent liabilities

The Group has contingent liabilities in respect of legal and tax claims arising in the ordinary course of business. The Group reviews these matters in consultation with internal and external legal counsel to make a determination on a case-by-case basis whether a loss from each of these matters is probable, possible or remote. These claims involve different parties and are subject to substantial uncertainties.

Togo

ContourGlobal Togo received in late December 2020 a notification from CEET (offtaker of the power purchase agreement) and the Republic of Togo regarding certain alleged breaches of the PPA and concession agreement, respectively, questioning the performance of the Togo plant and alleging overpayment of $58 million under “take or pay” provisions. The breaches alleged by CEET relate to generation by the plant using heavy fuel oil (‘HFO’) and gas. As of 31 December 2023 a provision of $3.3 million was recognised, reflecting our offer to settle any liability associated with historical generation using gas. The risk of liability relating to generation using HFO has been assessed as remote.

Taxes

Judgement is sometimes required in determining how to account for indirect or direct tax positions where the ultimate tax determination is uncertain. These positions include areas such as the tax deductibility or treatment of certain costs (in particular, of one-off items that might arise on an acquisition, disposal or internal restructuring), the pricing of goods or services provided between Group companies and the application of local tax law within each territory in which the Group operates. Liabilities are recognised in accordance with relevant accounting standards based on management's best estimate of the outcome, having taken advice where it is considered appropriate to do so. However, if the Group is challenged by local tax authorities, it is possible that the final outcome of these matters may be different from the amounts recorded and additional expenses may be recognised in later periods. The Group is not currently subject to any tax audit where it is considered there is a more than remote probability of a material tax adjustment where we have not provisioned and the risk of a material adjustment to tax provisions within the next 12 months is not considered to be significant.

As of 31 December, 2023

c) Leasing activities

Operating lease as a lessor

The Group is lessor under non-cancellable operating leases. The future aggregate minimum lease payments receivable under non-cancellable operating leases are as follows:

In $ millions	Years ended 31 December 2023	2022
Minimum lease payments receivable		
No later than 1 year	151.0	153.8
Later than 1 year and no later than 5 years	417.1	478.7
Later than 5 years	329.6	419.0
Total	**897.7**	**1,051.5**

The property, plant and equipment related to the assets as the operating lease as a lessor relates to Solutions plants, Energie Antilles, Bonaire, Hobbs and Trinity for the year ended 31 December 2023, as follows.

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	3.4	833.6	8.3	1.3	22.7	869.3
Accumulated depreciation and impairment	-	(255.5)	-	(0.5)	(8.4)	(264.4)
Carrying amount as of January 1, 2023	**3.4**	**578.1**	**8.3**	**0.8**	**14.3**	**604.9**
Additions	-	5.8	16.9	-	0.4	23.1
Disposals	-	(0.2)	-	-	-	(0.2)
Reclassification	-	22.9	(22.7)	0.6	(0.8)	-
Currency translation differences	-	(2.2)	-	-	(0.4)	(2.6)
Depreciation charge	-	(57.3)	-	(0.2)	(0.8)	(58.3)
Closing net book amount	**3.4**	**547.1**	**2.5**	**1.2**	**12.7**	**566.9**
Cost	3.4	845.6	2.5	1.9	17.0	870.4
Accumulated depreciation and impairment	-	(298.5)	-	(0.7)	(4.3)	(303.5)
Carrying amount as of 31 December 2023	**3.4**	**547.1**	**2.5**	**1.2**	**12.7**	**566.9**

As of 31 December, 2023

The property, plant and equipment related to the assets as the operating lease as a lessor relates to Solutions plants, Energie Antilles, Bonaire, Hobbs, Five Brothers and Trinity on the year ended 31 December 2022 as follows.

In $ millions	Land	Power plant assets	Construction work in progress	Right of use of assets	Other	Total
Cost	6.0	923.3	2.3	1.8	34.2	967.6
Accumulated depreciation and impairment	-	(234.1)	-	(0.7)	(2.1)	(236.9)
Carrying amount as of 1 January 2022	**6.0**	**689.2**	**2.3**	**1.1**	**32.1**	**730.7**
Additions	-	19.1	12.6	0.9	0.8	33.4
Disposals	-	(0.3)	-	-	(0.5)	(0.8)
Reclassification	-	4.9	(4.4)	-	(0.5)	-
Effect of change in classification of contract (1)	(2.6)	(90.5)	-	(0.8)	-	(93.9)
Currency translation differences	-	0.9	(2.2)	-	(1.1)	(2.4)
Depreciation charge	-	(45.2)	-	(0.4)	(16.5)	(62.1)
Closing net book amount	**3.4**	**578.1**	**8.3**	**0.8**	**14.3**	**604.9**
Cost	3.4	833.6	8.3	1.3	22.7	869.3
Accumulated depreciation and impairment	-	(255.5)	-	(0.5)	(8.4)	(264.4)
Carrying amount as of 31 December 2022	**3.4**	**578.1**	**8.3**	**0.8**	**14.3**	**604.9**

(1) The effect of change in classification of contract corresponds to the end of the operating lease of Five Brothers on the year ended 31 December 2022.

Finance lease as a lessor

The future aggregate minimum lease payments under non-cancellable finance leases (relating to our operation of Energies Saint Martin) are as follows:

	Years ended 31 December	
In $ millions	**2023**	**2022**
Minimum lease payments receivable		
No later than 1 year	-	5.3
Later than 1 year and no later than 5 years	-	-
Later than 5 years	-	-
Gross investment in the lease	**-**	**5.3**
Less: unearned finance income	-	(0.4)
Total	**-**	**4.9**

In $ millions	Years ended 31 December 2023	2022
Analysed as:		
Present value of minimum lease payments receivable:		
No later than 1 year	-	4.9
Later than 1 year and no later than 5 years	-	-
Later than 5 years	-	-
Total	**-**	**4.9**

1.39. Guarantees and letters of credit

The Group and its subsidiaries enter into various contracts that include indemnification and guarantee provisions as a routine part of the Group's business activities. Such contracts generally indemnify the counterparty for tax, environmental liability, litigation, and other matters, as well as breaches of representations, warranties, and covenants set forth in the agreements. In many cases, the Group's maximum potential liability cannot be estimated, since some of the underlying agreements contain no limits on potential liability. The Group considers outflow relating to these guarantees to be remote and therefore no fair value liability has been recognised.

The Group also acts as guarantor to certain of its subsidiaries and obligor with respect to some long term arrangements contracted at project level.

For the financial guarantees and letters of credit, refer to note 1.30.

1.40. Statutory Auditor's fees

In $ millions	Years ended 31 December 2023	2022
Fees payable to the Group's auditor for the audit of the Group's annual accounts and consolidated financial statements	1.6	1.5
Fees payable to the Group's auditor and its associates for other services:		
- The audit of the Group's subsidiaries	1.4	1.3
- Audit- related assurance services	-	0.6
- Other assurance services	-	0.8
- Tax compliance services	0.4	-
- Tax advisory services	0.6	-
- Other non-audit services	-	-
Total (net of out of pocket expenses)	**4.0**	**4.2**

1.41. Subsequent events

On 20 February 2024 the Maritsa PPA expired following which the business transitioned to operating under a merchant model. This change was anticipated by the business and has been considered within our impairment testing of the Maritsa cash generating unit, refer to Note 1.16 for details.

Company balance sheet

At of 31 December 2023

In $ millions	Note	2023	2022
Fixed assets			
Investments	6	2,059.8	2,130.0
Current assets			
Debtors	7	5.2	11.4
Cash at bank and in hand		1.0	12.5
		6.2	**23.9**
Creditors: amounts falling due within one year	8	(7.6)	(24.7)
Net current liabilities		**(1.4)**	**(0.8)**
Creditors: amounts falling due after one year	9	**(71.8)**	**-**
Net assets		**1,986.6**	**2,129.2**
Capital and reserves			
Called-up share capital	10	8.8	8.8
Share premium account		380.8	380.8
Treasury shares	11	-	-
Retained earnings and other reserves		1,597.0	1,739.6
Total Shareholders' funds		**1,986.6**	**2,129.2**

The Company's profit for the year ended 31 December 2023 was $396.6 million (2022: $99.5 million).

The financial statements on pages 138 to 143 were approved and authorised for issue by the board and were signed on its behalf by:

Laurent Hullo
Director

14 March 2024

Registered Number: **10982736**

Company statement of changes in equity

For the year ended 31 December 2023

in $ millions	Called-up share capital	Share premium account	Treasury shares	Retained earnings and other reserves	Total
At 1st January 2022	8.9	380.8	(37.8)	1,798.1	**2,150.0**
Share based payments (1)	–	–	–	5.8	5.8
Dividends distribution (2)	–	–	–	(126.1)	(126.1)
Treasury shares (3)	(0.1)	–	37.8	(37.7)	-
Profit for the year	–	–	–	99.5	99.5
At 31st December 2022	**8.8**	**380.8**	–	**1,739.6**	**2,129.2**
Share based payments	–	–	–	–	–
Dividends distribution (2)	–	–	–	(539.2)	(539.2)
Treasury shares	–	–	–	–	–
Profit for the year	–	–	–	396.6	396.6
At 31st December 2023	**8.8**	**380.8**	–	**1,597.0**	**1,986.6**

(1) Includes Long Term Incentive Plan impact on equity.

(2) During the year ended 31 December 2023 the Group paid a non cash dividends of $539.2 million on March 15, 2023. During the year ended 31 December 2022 the Group paid dividends of $29.2 million on April 14, 2022, $32.3 million on June 10, 2022, $32.3 million on September 9, 2022 and $32.3 million on November 25, 2022.

(3) See note 11.

Notes to the Company financial statements

1. General information

ContourGlobal Limited (the "Company") is a private company, limited by shares and domiciled in the United Kingdom and incorporated in England and Wales and its registered office is:

Tintagel House
92 Albert Embankment
6th Floor
London
SE1 7TY
United Kingdom

2. Statement of compliance

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

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied throughout both periods presented.

3.1. Basis of preparation

The Company financial statements have been prepared under the historical cost convention. The current year financial information presented is for the year ended 31 December 2023, and the comparative year financial information presented is for the year ended 31 December 2022.

The preparation of the financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are set out below. The financial statements have been prepared on the going concern basis under the historical cost convention.

As permitted by Section 408 of the Companies Act 2006, an entity profit and loss account is not included as it is part of the published consolidated financial statements of ContourGlobal Limited.

3.2 Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the following FRS 102 disclosure exemptions available to qualifying entities:

- The requirements of Section 4 Statement of Financial Position 4.12 (a) (iv);
- The requirements of Section 7 Statements of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- The requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41 (f), 11.42, 11.44, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- The requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23, and
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

3.3 Foreign currency

(i) Functional and presentation currency

The Company's functional and presentation currency is the US Dollar.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the dates of the transactions.

At each period end foreign currency non-monetary items measured at historical cost are translated using the exchange rate on the date of the transaction.

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

3.4 Investments in subsidiaries

Investments in subsidiaries are held at cost, less any provision for impairment. Annually, the Directors consider whether any events or circumstances have occurred that could indicate that the carrying amount of fixed asset investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the higher of fair value less costs of disposals or value in use. If this is the case, an impairment charge is recorded to reduce the carrying value of the related investment.

3.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

The premium received on the issue of shares in excess of the nominal value of shares is credited to the share premium account and included within equity.

Treasury shares

The Group's treasury shares are included under "Treasury shares" in the consolidated statement of financial position and are measured at acquisition cost.

The treasury shares are removed from other reserves when utilised or cancelled. This results in a reclassification of the carrying value to Retained Earnings.

The Group buys and sells treasury shares in accordance with the prevailing law and the resolutions of the General Shareholders' Meeting. Such transactions include sale and purchase of company shares.

3.6 Taxation

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax arises from timing differences that are differences between taxable profits and profit for the year as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Unrecognised deferred tax assets as at 31 December 2023 were $20.9 million ($17.2 million in 2022).

3.7 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Financial assets including amounts owed by group undertakings and other receivables and cash at bank and in hand are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed.

The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Financial liabilities include trade and other payables (including from intercompany Group companies).

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3.8 Dividend distribution

Dividends to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders in the case of final dividends. In respect of interim dividends, these are recognised in the period in which they are paid.

3.9 Critical accounting judgements and estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical judgements and accounting estimates. It also requires management to exercise their judgement in the process of applying the Company's accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements is:

- Critical judgement: Carrying value of investments.

The Company considers annually whether there is any indication of impairment in the carrying value of investments in accordance with the accounting policy stated.

In the event that there is an indicator of impairment, the Company performs an impairment assessment to determine if the carrying value of the investment is supported by its recoverable amount. In 2023 following a restructuring of the ContourGlobal Group the direct subsidiary of ContourGlobal Limited, ContourGlobal Hummingbird Holdco I was wound up. As a result of this restructuring and company wind up, the investment in ContourGlobal Hummingbird Holdco I of $506.3 million was impaired to nil.

No key sources of estimation uncertainty were identified.

3.10 Going concern

The accounts have been prepared on a going concern basis, as described in the Directors' Report and note 1.1 of the consolidated financial statements.

4. Directors' emoluments and employees

The Company had four directors and an average of two employees in the year to 31 December 2023 (the Company had two Directors, seven non-executive directors and an average of two employees in the year to 31 December 2022). In 2023, of the four directors, none were remunerated by the Company, one was remunerated by another company in the Group and the other directors were remunerated by parent entities. In 2022 of the two directors, one was remunerated by the company and the other director was remunerated by another company in the Group. In 2022 the non-executive directors were remunerated by the Company. The amount of employee charges recognised in the Company's profit and loss statement in 2023 amounted to $0.5million (2022: $3.5 million).

in $ millions	2023	2022
Wages and salaries	0.4	0.7
Social security costs	0.1	0.7
Share-based payments[1]	-	2.1
Total employee costs	**0.5**	**3.5**

[1]The share based payments charge relates to all employees in the Long term incentive plan (LTIP) plan for the Group (2022: $2. million).

No director received payments into a defined benefit contribution plan during the year 2023 (2022: none).

No director exercised shares under the long term incentive plan during the year 2023 (2022: one director).

No director received shares under the long term incentive plan in 2023 (2022: one director).

5. Auditor's fees

The amount payable to the Company's auditor in respect of the statutory audit were $26,000 (2022: $24,000).

6. Investments in subsidiaries

in $ millions	2023	2022
At 1st January	**2,130.0**	**2,148.0**
Capital increase of CG Worldwide Holdings SARL	435.8	57.3
Capital increase CG Hummingbird UK Holdco I limited	0.3	-
Impairment	(506.3)	(75.3)
At 31 December	**2,059.8**	**2,130.0**

In 2023 the Company received $565.0 million of dividends from ContourGlobal Worldwide Holdings SARL (2022: $162.5 million) and $435.8 million of dividends from ContourGlobal Hummingbird UK Holdco I limited (2022: $59.8 million).

The Company's directly wholly owned subsidiaries are ContourGlobal Worldwide Holdings S.à.r.l and ContourGlobal Hummingbird UK Holdco I limited that was created in 2021 for the acquisition of the Western Generation portfolio in February 2021. A full list of indirect subsidiaries and other undertakings as required by Section 409 of the Companies' Act 2006 is shown in Note 1.36 of the Group's financial statements.

In 2023 the Company recorded an impairment of $506.3 million on the value of the investment following a restructuring of the ContourGlobal Group the direct subsidiary of ContourGlobal Limited, ContourGlobal Hummingbird Holdco I was wound up. In 2022 the Company recorded an impairment of $75.3 million on the value of the investments following the acquisition of the Company by KKR, which closed in December 2022 and valued the Group at $2.14 billion, less the Company's best estimate of costs of disposal.

7. Debtors

In $ millions	2023	2022
Amounts owed by Group undertakings	3.5	4.5
VAT recoverable	1.2	6.4
Prepayments and accrued income	0.5	0.5
	5.2	**11.4**

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

8. Creditors: amounts falling due within one year

In $ millions	2023	2022
Trade payables	0.8	4.9
Accrued expenses	4.8	3.6
Amounts owed to Group undertakings	2.0	16.2
	7.6	**24.7**

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: amounts falling due after one year

In $ millions	2023	2022
Intercompany Loan	71.8	-

Intercompany loan was agreed between ContourGlobal Terra Holdings S.a.r.l as lender and ContourGlobal Limited as borrower for an amount of €65 million on 28 November 2023.The loan bears an interest rate of 7.41% per year and maturity date 28 November 2030.

10. Called-up share capital

Issued capital of the Company amounted to $8.8 million as at 31 December 2023 and 2022.

As of 31 December 2023, the Company has issued 663,048,789 shares of £0.01 each (2022: 663,048,789), corresponding to an allotted, called up and fully paid capital of £6.7 million, or $8.8 million. There has been no change in the called-up share capital in either year.

11. Treasury shares

On 1 April 2020 ContourGlobal Plc announced a buyback program of up to £30 million of ContourGlobal plc ordinary shares of £0.01 each ("Shares"), to initially run from 1 April 2020 to 30 June 2020, subsequently extended to 30 September 2020 then further extended to 31 December 31 2020 and then to 31 March 2021.

During the year ended 31 December 31 2021, the Company repurchased 2,624,774 treasury shares at an average price of 208.4 pence per share for an aggregate amount of GBP5.5 million ($7.4 million), representing 0.40% of its share capital and used 427,440 shares in respect of the 2018 Long Term Incentive Plan. Since the beginning of the buyback program, the Company repurchased a net amount of 14,572,065 treasury shares, representing 2.17% of its share capital and a cumulative consideration paid of $37.8 million.

During 2022, 6,907,934 treasury shares were utilised relating to accelerated vesting of long term incentive plans. The remaining 7,664,131 shares were then cancelled, following the delisting of the Company from the London Stock Exchange on 21 December 2022.

No treasury shares were issued during 2023.

12. Contingent liabilities

The Company acts as a guarantor to certain of its subsidiaries with respect to various financial obligations and project financing agreements entered into by its subsidiaries. The Company considers outflow relating to these guarantees to be remote and therefore no fair value liability has been recognised. The main financial obligations are listed below:

- $8.5 million guarantee to cover Kivuwatt debt service reserve account;
- Guarantee on cash shortfall for debt service in ContourGlobal Togo; the loan balance as at 31 December 2022 is $53.5 million;
- Guarantee to Goldman Sachs, Credit Suisse International, Citibank Europe plc, HSBC Bank USA National Association, JP Morgan Securities plc, and Mizuho Capital Markets LLC in relation with the hedging instruments existing at ContourGlobal Power Holdings S.A. As at 31 December 2022 this related to instruments with a nominal value of $4.7 million and a fair value as at year-end of $0.4 million;
- Parent guarantor (as defined in the indenture) under the €710 million bond indenture dated 17 December 2020;
- Guarantor under the corporate level revolving credit facility of €40 million dated 10 December 2020 undrawn as of 31 December 2023;
- Guarantor under the corporate level letter of credit facility of €50 million dated 10 March 2020;
- BRL 67.6 million guarantee to Chapada I letters of credit providers corresponding to 25% of the debt;
- Guarantor under the Mexican CHP $35 million letter of credit signed on February 5, 2021; and
- $12.0 million guarantee to cover Caribbean refinancing debt service reserve letter of credit.

Securities given:

- The Corporate bond, Revolving Credit Facility and UniCredit LC facility at CG Power Holdings level are secured by pledges of shares of certain subsidiaries (ContourGlobal LLC, ContourGlobal Spain Holding Sàrl, ContourGlobal Bulgaria Holding Sàrl, ContourGlobal Latam Holding Sàrl, ContourGlobal Terra Holdings Sàrl and ContourGlobal Worldwide Holdings Sàrl), and guarantees from ContourGlobal Limited, and the above subsidiaries.
- ContourGlobal Limited provided guarantees to HSBC Bank USA National Association, JP Morgan Securities plc, and Mizuho Capital Markets LLC in relation to the hedging instruments existing at ContourGlobal Power Holdings S.A.

13. Related parties

In 2022 and 2023 none of the Company or its subsidiaries have contracted with related parties. As of 31 December 2023 and 31 December 2022, the Company has no balance due to or receivables from related parties other than amounts due to and from subsidiary undertakings.

14. Subsequent events

No reportable subsequent events took place between 31 December 2023 and the date of authorisation of the financial statements.

Annex C - Certain Definitions

"BESS"	means battery energy storage system, which is a battery device that stores energy from renewable and non-renewable sources in rechargeable batteries for later use;
"CG Power"…………………………………	means ContourGlobal Power Holdings S.A.;
"CG Solutions"	means four of our plants, located in Italy (Nogara and Oricola), Northern Ireland (Knockmore Hill), and Romania (Ploiesti), two plants in Nigeria (Benin and Ikeja) and one plant in Brazil;
"COD"...	means commercial operations date, which is the date on which a project is fully operational and begins to generate power;
"Group," "we," "us," "our," "ContourGlobal," "Company" and other similar terms................	mean ContourGlobal Limited and its consolidated subsidiaries, except where the context otherwise requires;
"IFRS"...	means the UK-adopted International Accounting Standards;
"Midco"…………………………………...	means ContourGlobal Finance Holding S.à r.l. (an indirect wholly-owned subsidiary of ContourGlobal);
"Midco Senior Facilities Agreement"…..	means the term and revolving facilities agreement originally dated November 20, 2023 (as amended, amended and restated and/or supplemented from time to time), entered into by, *inter alios*, Midco, as borrower, and the lenders party thereto;
"PPA"..	means long-term power purchase agreements;
"Revolving Credit Facilities Agreement"…..	means the revolving credit facility agreement originally dated December 10, 2020 (as amended, amended and restated and/or supplemented from time to time), entered into by, *inter alios*, CG Power, as borrower, and the lenders party thereto; and
"Run-Rate Adjusted EBITDA"......................	means Adjusted EBITDA for the twelve months ended September 30, 2024 as further adjusted for (i) the exclusion of the Adjusted EBITDA contribution of the Maritsa coal plant for the twelve months ended September 30, 2024, reflecting our expected exit from coal-based energy production in Bulgaria, (ii) the exclusion of the Adjusted EBITDA contribution of Brazil Wind for the twelve months ended September 30, 2024, reflecting the disposal of our wind farms in Brazil in June 2024, (iii) our estimate of the Adjusted EBITDA contribution of the Maritsa

BESS project on a full-year post-COD basis, which has an expected COD in the third quarter of 2025, (iv) our estimate of the Adjusted EBITDA contribution of the Chilean PV and BESS Portfolio Acquisition assets on a full-year post-COD basis, reflecting twelve months of operations for Quillagua and eleven months of operations for Victor Jara; Quillagua has a first segment in operation and a second segment under construction, which is expected to reach COD in the third quarter of 2025 and Victor Jara started construction in December 2024 and is expected to reach COD by January 2026 and (v) our estimate of the combined Adjusted EBITDA contribution of the Colorado and Virginia. PV Portfolio Acquisition assets on a full-year post-COD basis, which are expected to reach COD in phases between 2025 and 2027.