

Centrica plc

AGM Trading Update

In advance of Centrica's Annual General Meeting at 11am BST today, the Company is providing an update on its performance and progress.

Chris O'Shea, Group Chief Executive:

"As expected, trading conditions have remained tough in the year to date. However, the modernisation of our Group remains on track and the difficult, but necessary process to move colleagues onto new terms and conditions is now complete. We are pleased that 98% of UK colleagues have accepted the new contracts which will enable us to better serve the needs of our customers. Although the external environment remains uncertain, our tight focus on cash and on fixing the basics across the Group leaves us well placed as we continue the turnaround of our company."

The factors impacting our 2021 outlook remain broadly unchanged since the time of the Preliminary Results in February. Some updates on performance and progress are provided below:

- Our significant Group restructure is on track and we continue to expect year-on-year operating cost savings of more than £100m in 2021.
- As expected, Covid-19 continues to impact the Company. In Q1 2021, electricity demand from our UK business customers was negatively impacted by around 15%, residential boiler installations were down 11% compared to Q1 2020, and non-essential service visits were postponed in order to protect colleagues and customers from the risks of catching and spreading Covid-19.
- Bord Gáis Energy's Whitegate power station is now expected to return to service around the end of this year.
- Group net debt including margin cash at the end of Q1 2021 was £0.5bn, down from £3.0bn at the start of the year, including the impact of net proceeds from the sale of Direct Energy.

Given the ongoing uncertain outlook, we are still not providing any specific Group earnings or cash flow guidance for 2021. The Company is due to release its 2021 Interim Results on 22 July 2021.

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