



30 October 2020

Vivo Energy plc

(LSE: VVO & JSE: VVO)

Third Quarter 2020 Trading Update

Vivo Energy plc, the leading pan-African retailer and distributor of Shell and Engen-branded fuels and lubricants, provides the following trading update for the quarter ended 30 September 2020 ('Q3').

Highlights

- Q3 Gross cash profit of \$187 million was in line with the prior year (Q3 19: \$189 million)
- Higher Q3 unit margins of \$75 per thousand litres (Q3 19: \$71) offset 7% lower Q3 volumes
- Continuing recovery from the impact of COVID-19, with mobility restrictions easing in the majority of markets
- Completed inaugural \$350 million bond offering to refinance existing amortising long-term debt
- Payment of previously withdrawn 2019 final dividend of 2.7 cents per share, with dividends in respect of 2020 performance to be determined at full year results

KEY PERFORMANCE INDICATORS

	Three-month period ended 30 September		
	2020	2019	
(\$ in millions), if not otherwise indicated	Total	Total	Change
Volumes (million litres)	2,492	2,672	-7%
Gross Cash Unit Margin (\$/'000 litres)	75	71	+6%
Gross Cash Profit	187	189	-1%

	Nine-month period ended 30 September		
	2020	2019	
(\$ in millions), if not otherwise indicated	Total	Total	Change
Volumes (million litres)	7,110	7,657	-7%
Gross Cash Unit Margin (\$/'000 litres)	69	70	-1%
Gross Cash Profit	487	540	-10%

Commenting on the trading update, Christian Chammas, CEO said, "Our priority continues to be protecting the health of our people, customers and communities across our operations, whilst supporting our business as it continues its recovery trajectory from Q2 levels. Mobility restrictions eased across our host countries during Q3, which has led to a strong improvement in gross cash profit, demonstrating our resilience and the integral nature of our products to economies across Africa. We are encouraged by the recent performance, which coupled with the strength of our balance sheet has enabled the Board to restart dividend payments. We remain cautiously optimistic and believe that with our diversified and resilient business model, and attractive long term growth opportunities across Africa, we are well positioned for the future."



Operational Review

Q3 volumes of 2,492 million litres significantly improved from Q2 20 due to the easing of COVID-19 related mobility restrictions in our markets, although remained 7% lower year-on-year. Volumes in the Retail segment improved during the quarter with a number of countries returning to year-on-year growth, but due to continuing localised restrictions in some key markets, volumes remained slightly below the previous year. Commercial segment volumes were lower, primarily impacted by weaker Aviation and Marine volumes due to restrictions on international travel as well as the end of a material supply contract in one market. Lubricant segment volumes remained robust.

Gross cash unit margins during the quarter were higher at \$75 per thousand litres (Q3 19: \$71). Unit margins benefitted by \$1 per thousand litres due to the accounting treatment of hyperinflation in Zimbabwe, as well as from the mix effect, positive forex impact and the current pricing and supply environment in a number of markets.

Balance Sheet

In September, the Group successfully completed its debut bond offering, raising \$350 million to refinance its existing amortising loan facility. The bond, which has a 7-year tenor and a coupon of 5.125%, significantly lengthens the Group's debt maturities at attractive terms, provides additional balance sheet flexibility and enhances the Group's presence in the capital markets.

Moroccan Competition Review

There have been no new developments regarding the independent commission's review of the Conseil de la Concurrence in Morocco since the Group provided an update on 29 July 2020.

Dividend

In response to the impact of COVID-19, the Board withdrew its recommendation to pay the 2019 final dividend of 2.7 cents per share. Due to the rapid actions we took to protect our business and the resilience of our business model, our balance sheet has remained strong through these exceptional times. As a result, the Board has declared a dividend payment of 2.7 cents per share in settlement of the 2019 final dividend. This will be paid as an interim dividend on 18 December 2020 to shareholders on the register at the close of business on 20 November 2020.

The Board will determine the appropriate dividend payment in respect of performance during 2020 at the time of our full year results announcement in March 2021.

Outlook

The Group's priority continues to be the safety of our people, our customers and our communities, whilst continuing to drive our business forward in an evolving and uncertain business environment. We are encouraged by the resilient performance during the quarter and are cautiously optimistic for the remainder of the year and into 2021, absent any major changes to current mobility restrictions.



Conference call

Vivo Energy plc will host a webcast and conference call for analysts and investors this morning at 09:00 UK time, with the following details:

Webcast link: <https://webcasting.brrmedia.co.uk/broadcast/5f7b1350c4d0076f2b93b3a5>

Dial-in: +44 330 336 9411 / +27 11 844 6118

Passcode: 7390708

A replay will be available after the event at <https://investors.vivoenergy.com>

Ends

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About Vivo Energy:

Vivo Energy operates and markets its products in countries across North, West, East and Southern Africa. The Group has a network of over 2,200 service stations in 23 countries operating under the Shell and Engen brands and exports lubricants to a number of other African countries. Its retail offering includes fuels, lubricants, card services, shops, restaurants and other non-fuel services. It provides fuels, lubricants and liquefied petroleum gas (LPG) to business customers across a range of sectors including marine, mining, construction, power, transport, wholesalers and manufacturing. The Company employs around 2,700 people and has access to over 1,000,000 cubic metres of fuel storage capacity and has a joint venture, Shell and Vivo Lubricants B.V., that sources, blends, packages and supplies Shell-branded lubricants.

For more information about Vivo Energy, please visit www.vivoenergy.com

Forward-looking statements

Such forward-looking statements contained in this report speak only as of the date of this report. The Company and the Directors expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law.

This announcement includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, including risks associated with the impact of COVID-19, many of which are beyond the Company's control and all of which are based on the Directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as: "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "anticipates" or "targets" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this report and include statements regarding the intentions, beliefs or current expectations of

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the Directors or the Group concerning, among other things, the future results of operations, financial condition, prospects, growth, strategies of the Group and the industry in which it operates.

No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.