9M 2022 Financial information

10 November 2022

CATHERINE MACGREGOR

CEO

OVERVIEW OF 9M PERFORMANCE

ENGIE is delivering in unprecedented market conditions

Playing a leading role in security of supply and contributing to affordability measures

Further progress on execution of strategic plan, disposal programme nearly complete

ENGIE IS DELIVERING IN UNPRECEDENTED MARKET CONDITIONS

- Operational performance enabling ENGIE to deliver in unprecedented market conditions
  - Growth across most activities, particularly from GEMS
- CFFO improvement, up +€3.1bn
- Performance plan on track
- Strong balance sheet and liquidity maintained
- FY 2022 guidance upgraded with NRIgs expected in the range of €4.9-5.5bn
- Dividend policy reaffirmed

EBIT

€7.3bn

Up 79% organically

GROWTH CAPEX[1]

€3.7bn

o/w 62% in Renewables

1 Net of DBSO and US tax equity proceeds for Renewables

CONTINUING ACTIONS TO SUPPORT SECURITY OF SUPPLY

- ENGIE managed through disruptions to Russian gas flows with no implications for physical supply
- Networks activities operating at high utilisation levels
  - GRTgaz transporting gas volumes from France to Germany
  - French LNG terminals operating at record levels
- Gas storage levels in France filled to nearly 100% capacity
- ENGIE continuing to diversify sources of gas supply through contracts with existing and new suppliers, both pipeline and LNG

Continued growth in renewable gases

Biomethane production units connected to GRTgaz & GRDF

459 total production units

↑ **+108** vs. 31 Dec. 2021

7.7 TWh / yearly
production capacity connected

Further progress on hydrogen projects

UPDATE ON PUBLIC POLICY MEASURES TO ADDRESS AFFORDABILITY AND SECURITY OF SUPPLY

Inframarginal rent cap proposals expected to be adopted by year-end

In **Belgium** €130/MWh[1], from 1 August 2022 to 30 June 2023

In **France** €100/MWh to €260/MWh[2], from 1 December 2022 to 31 December 2023

Existing profit-sharing and working capital support

Government profit-sharing mechanisms in France and in Belgium

WCR support linked to public customer measures

Consumer support measures & demand management

Supporting vulnerable customers and set-up of a fund to help SMEs in France

Demand management measures

1 Nuclear assets expected to be covered
2 Drawing rights on 2 EDF nuclear plants and CCGTs expected to be covered

FURTHER PROGRESS ON EXECUTION OF STRATEGIC PLAN

Realising the strategic and geographic refocus

Completion of EQUANS

~ **€11bn**[1] disposal, programme nearly complete

Down to **31** countries[2] (vs.**70** in 2018)

- **7** countries exited with EQUANS sale

Renewables growth on track

~ 37 GW [3] of installed renewables capacity

On track to add **c. 4 GW** of renewables in 2022, despite sector challenges

Accelerating carbon neutrality

Coal at 2.6% of centralised power generation capacity

100% coal exit in Brazil with signing of sale of Pampa Sul

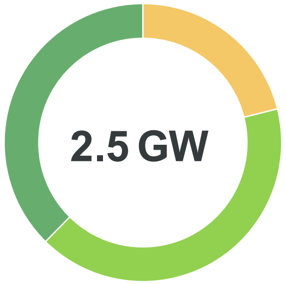
Closure of Tocopilla unit 15 in Chile

1 Deals signed or completed; o/w €10.5bn already closed
2 Once closing of the signed deals is effective
3 At 100%

OPERATIONAL PROGRESS ACROSS ALL GBUS, UNDERPINNED BY STRENGTH OF ENGIE'S INTEGRATED MODEL

Continuing development in Renewables

- ~ 37 GW[1]
- 2.5 GW[1] added capacity in 9M:



Solar	**0.5 GW**
Onshore wind	**1 GW**
Offshore wind	**1 GW**

GEMS: at the centre of ENGIE's portfolio approach

- Sourcing energy for customers, selling own production and hedging upstream and downstream positions

Customers

Energy Solutions

- Increase in awarded revenue backlog
- Major wins in DHC, green mobility, on-site generation

Supply

- Helping customers lower their bills
- Lower churn rates reflecting ENGIE's solid brand

Large portfolio of flexible generation

Thermal

- Strong performance from European flexible assets contributing to security of supply and system stability through ancillaries
- Acquired **6 GW** of solar and battery projects in the US - joint project with Renewables GBU

Networks: at the centre of energy security

- High utilisation rates in France
- 10.5m smart meters installed in France – 92% deployment
- Gralha Azul power line in Brazil, COD at 94%
- Strong performance of TAG

1 At 100%

9M 2022 FINANCIALS

PIERRE-FRANÇOIS RIOLACCI

CFO

CONTINUED POSITIVE MOMENTUM WITH STRONG EARNINGS AND HIGH CASH FLOW GENERATION

- EBIT up 84% on a gross basis and 79% organically
- Strong cash flow generation
- Strong performance driving improvement in credit ratios, despite higher net debt
- Disposal plan financial target of at least €11bn almost completed[5], high valuation achieved
- 2022 guidance upgraded
- Dividend policy reaffirmed

9M RESULTS

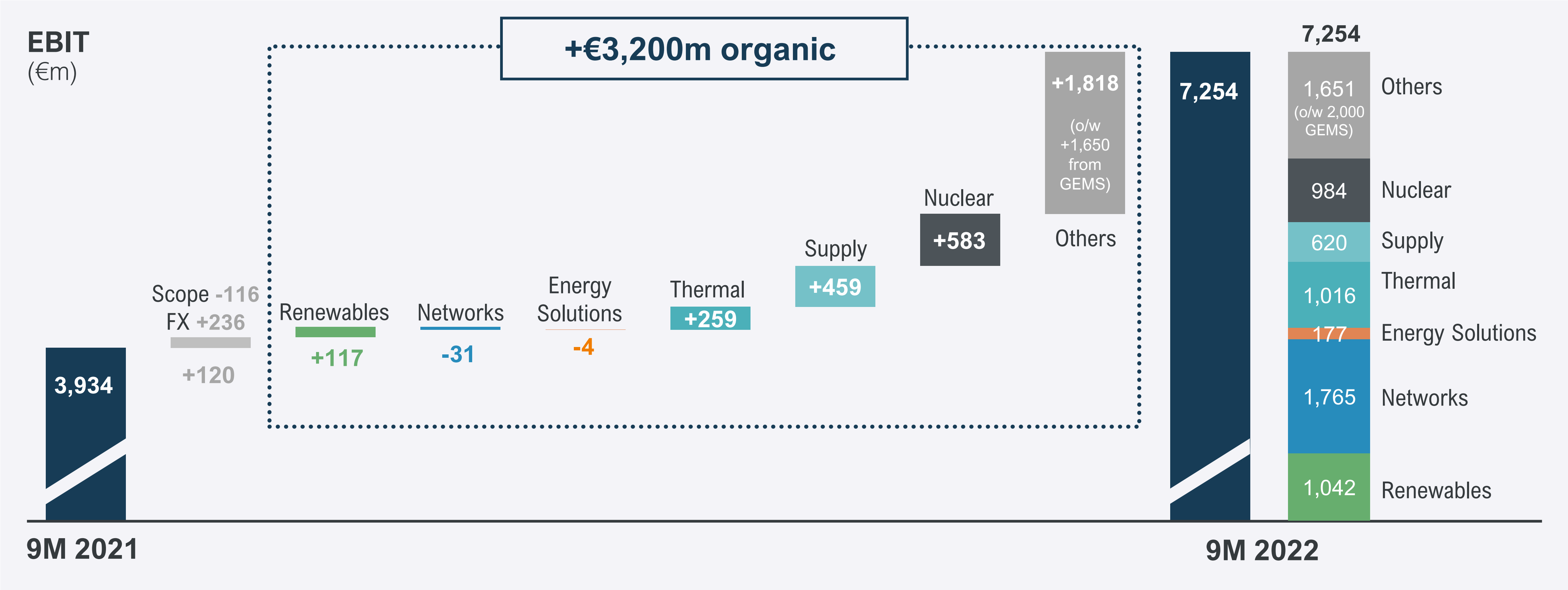
€bn, unaudited figures[1]

	Actual	Δ Gross	Δ Organic[2]
EBITDA	10.7	+48%	+45%
EBIT	7.3	+84%	+79%
CFFO[3]	8.4	+3.1	-
Net Financial Debt	27.6	+2.2[4]	-
Economic Net Debt	39.0	+0.7[4]	-
Economic Net Debt / EBITDA	2.8x	-0.8x[4]	

1 Unaudited figures throughout the presentation
2 Organic variation = gross variation without scope and foreign exchange effect
3 Cash Flow From Operations = Free Cash Flow before Maintenance Capex and nuclear phase-out expenses
4 vs 31 December 2021
5 Including EQUANS to be booked in Q4 2022

EBIT UP +79% ORGANICALLY

In unprecedented market conditions



GEMS

Unprecedented 2022 market conditions led to exceptional outperformance across GEMS activities

2 key drivers of performance:

Volatility – optimization of flexibility embedded in our gas portfolio and dynamic **Customer risk management services** across GEMS activities:

Gas contract optimization

- Optimization of contractual flexibilities (optionality through volumes, location & time spreads)
- Management of cross border transportation capacity (geographical spreads)

Customer risk management services

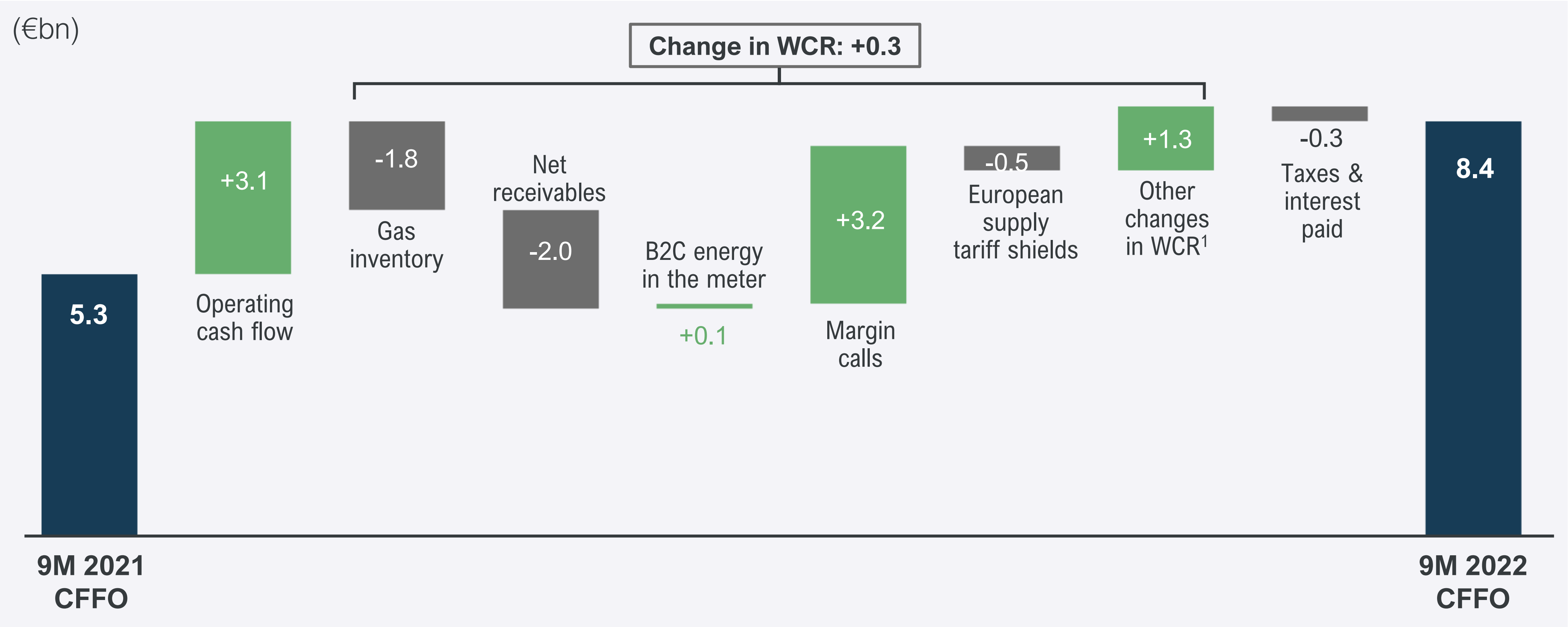
- Increasing risk management revenue
- Higher volatility and higher prices, generating added value
- Higher volumes

Key market drivers[1] (€/MWh - month ahead)		9M 2021	9M 2022	YoY delta
Prices & Spreads	France baseload power	75	345	+271
	Gas TTF	31	134	+103
	France Clean Spark Spreads	-6	86	+92
Gas geographical spreads	TTF-THE (Netherlands-Germany)	0.0	1.3	+1.3
	TTF-TRF (Netherlands-France)	(0.1)	(21.3)	-21.1
Volatility	Bid-Ask spread	0.1	0.5	+0.4
	Gas intraday volatility (spread low-high)	2	17	+16

1 Monthly average from January to September

CASH FLOW FROM OPERATIONS

Higher CFFO supported by strong operating cash-flows and positive margin calls effect more than offsetting price impacts and supply tariff shields



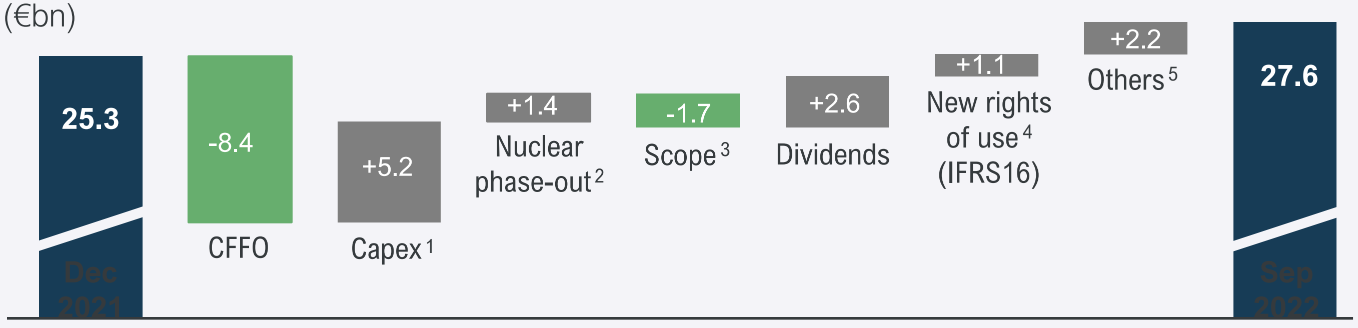
1 Including €+0.7bn for G2 tax

NET DEBT UP, STRONG LIQUIDITY AND RATING MAINTAINED

Liquidity of €21.8bn, including €15.3bn of cash

Net Financial Debt

(€bn)

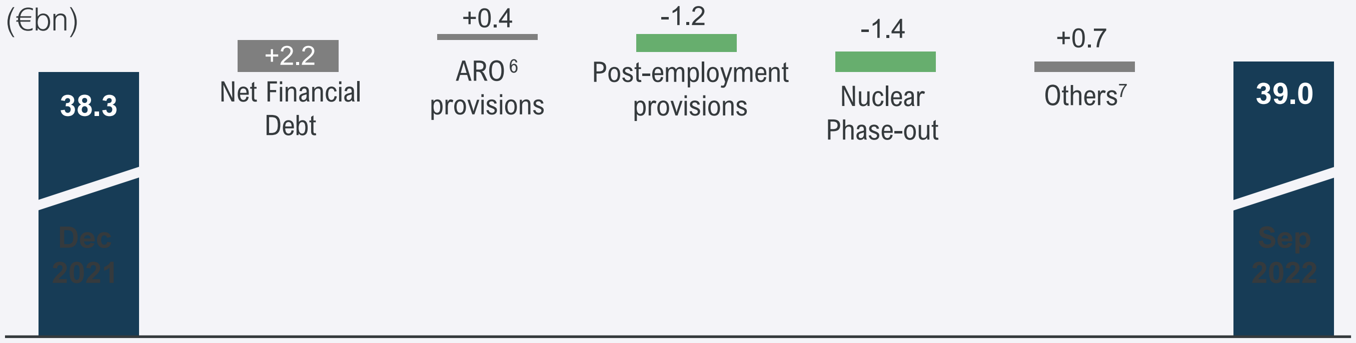


2.63% **2.57%**

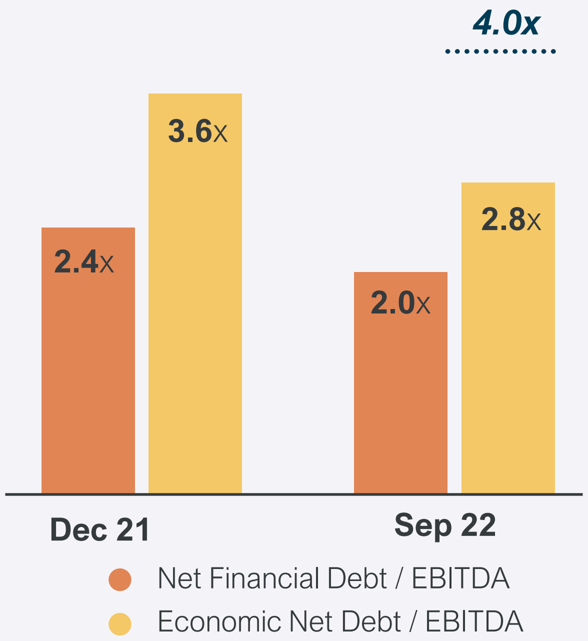
Average cost of gross debt

Economic Net Debt

(€bn)



Leverage ratios



Rating: 'Strong investment grade' maintained

1 Growth + maintenance Capex, net of DBSO and US tax equity proceeds for Renewables
2 Synatom funding previously reported in gross Capex and waste/dismantling expenses previously reported in CFFO
3 Including net scope impact from disposals & acquisitions (mainly SUEZ and GTT transactions)
4 Mainly following the renewal of the CNR hydro concession
5 Mainly FX, also including hybrid repayment, derivatives and MtM
6 Asset Retirement Obligations for dismantling, decommissioning, nuclear waste management, …
7 Fair value variation of dedicated assets relating to nuclear provisions and related derivatives financial instruments

FY 2022 GUIDANCE UPGRADED

ENGIE's expectations underpinned by strength of integrated model

EBITDA indication

€13.2-14.2bn

EBIT indication

€8.5-9.5bn

NRIgs guidance

€4.9-5.5bn

Rating

"Strong investment grade"

Economic Net Debt / EBITDA ≤ 4.0x over the long term

Dividend policy reaffirmed

65-75%

payout ratio based on NRIgs

Floor of **€0.65**

(2021-2023)

Key assumptions[1]

FX:

- **€/USD:** 1.07
- **€/BRL:** 5.44

Market commodity forward prices
Average Q2 2022 – Q3 2022

Regulatory changes
Assumes potential adverse impact of inframarginal rent cap based on existing drafts and current interpretation

Favorable timing
Reversal of €0.4bn timing from 9M mainly in Supply & Networks

Nuclear Belgium
Nuclear availability as per REMIT and €0.1bn contingencies

Average weather conditions

Recurring net financial costs
€(1.7-1.9)bn

Recurring effective tax rate
~20%

1 For Q4 2022, as Q3 2022 actuals are embedded in this upgrade. Guidance and indications are based on continuing operations and assume no change in accounting policies

SUMMARY

ENGIE is delivering in unprecedented market conditions

Playing a leading role in security of supply and contributing to affordability measures

Further progress on execution of strategic plan, disposal programme nearly complete

ADDITIONAL MATERIAL

9M 2022 EBIT CHANGE BY ACTIVITY

Y/Y change (€m)	Gross	FX / Scope	Organic	Key drivers for organic change	
RENEWABLES	+223	BRL appreciation Eolia acquisition in Spain Indian assets sell down	+117	↗ Commissioning of new capacity ↗ Higher prices in Europe (mainly benefitting to hydro) ↗ 2021 Texas extreme weather event	↘ Hydro buybacks (France and Portugal) ↘ 2021 GFOM ruling in Brazil ↘ Lower hydro volumes in Europe
NETWORKS	+4	BRL appreciation Disposal Turkey	-31	↗ Latin America (intrinsic growth and inflation indexation) ↗ Reversed flows to Germany – subscription ↗ Higher margin UK storage	↘ Warmer temperatures in Europe (mainly for GRDF) ↘ Lower regulated revenues in France due to RAB remuneration decrease (smoothed)
ENERGY SOLUTIONS	+4		-4	↗ Energy prices (mainly in France)	↘ One-offs ↘ Warmer temperatures
THERMAL & SUPPLY	+279	USD appreciation Disposals (coal exit)	+259	↗ Higher spreads in Europe ↗ Higher ancillaries and CRM in Europe	↘ Higher prices of unavailability in Europe ↘ Italian extraordinary tax ↘ Price drop in energy margins in Chile ↘ Adverse gas merchant position in Australia
	+460	-	+459	↗ Positive timing effects on power margins in France ↗ Warmer temperatures in Europe	↘ Support measures & higher bad debt provisions
NUCLEAR	+583	-	+583	↗ Better achieved prices	↘ Higher Belgian nuclear taxes ↘ Lower availability in Belgium and France
OTHERS	+1,769	GTT deconsolidation	+1,818	↗ GEMS: Higher prices and volatility	↘ GEMS: Italian extraordinary tax
ENGIE	**+3,320**	**+120**	**+3,200**		

EBIT BREAKDOWN[1]

9M 2022 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	112	191	621	107	22	(10)	1,042
NETWORKS	1,258	25	487	(2)		(3)	1,765
ENERGY SOLUTIONS	189	58	(5)	1	39	(105)	177
THERMAL		672	19	33	307	(15)	1,016
SUPPLY	507	92	6		25	(10)	620
NUCLEAR		984					984
OTHERS[2]		-	-	4	-	1,647	1,651
o/w GEMS						*2,000*	*2,000*
TOTAL	**2,065**	**2,020**	**1,130**	**143**	**393**	**1,504**	**7,254**

9M 2021 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	164	77	606	(34)	31	(24)	820
NETWORKS	1,344	48	356	1	18	(5)	1,761
ENERGY SOLUTIONS	175	60	(3)	11	24	(93)	174
THERMAL		231	175	30	323	(22)	737
SUPPLY	98	70	1		9	(17)	160
NUCLEAR		401					401
OTHERS[2]	-	2	(4)	(1)	-	(115)	-118
o/w GEMS						*337*	*337*
TOTAL	**1,780**	**889**	**1,130**	**6**	**405**	**(277)**	**3,934**

1 Unaudited figures
2 Including mainly GEMS (GEM + main Supply B2B activities), Corporate and GTT

2022 UPDATED COMMODITY FORWARD PRICES ASSUMPTIONS

Commodity forward prices
(average Q2 2022 – Q3 2022)
Basis for the updated 2022 indications and guidance

€/MWh	2022[1]
Power Base BE	362
Power Base FR	615
Gas TTF	156

1 Relevant for the Q4 2022 unhedged volumes

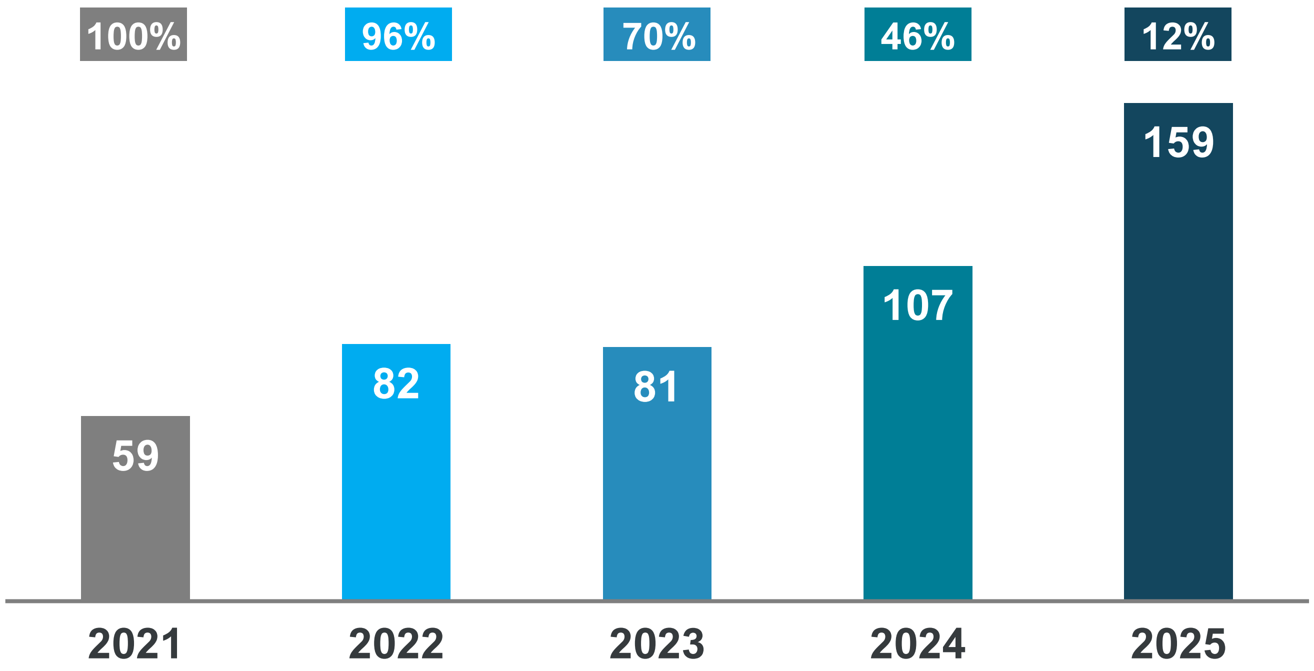
OUTRIGHT POWER PRODUCTION IN EUROPE

Nuclear and hydro

Hedging positions and captured prices

(% and €/MWh)

As at 30 September 2022
Belgium and France



Captured prices are shown

- before specific Belgian nuclear and French CNR hydro tax contributions
- excluding the mark-to-market impact of the proxy hedging used for part of Belgian nuclear volumes, which is volatile and historically unwinds to close to zero at delivery

DISCLAIMER

Important Notice

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FOR MORE INFORMATION ABOUT ENGIE

Ticker: ENGI

+33 1 44 22 66 29

ir@engie.com

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