ENGIE

H1 2023 FINANCIAL RESULTS

28 July 2023

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CEO

H1 2023 HIGHLIGHTS: MULTIPLE ACHIEVEMENTS FOR ENGIE

Strong H1 2023 financial and operational performance

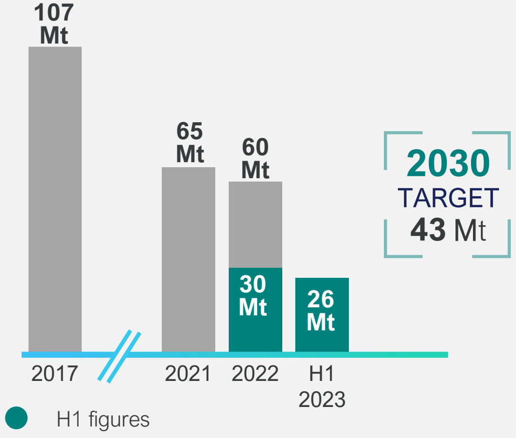
Relentless delivery of strategic plan across GBUs

Fundamental de-risking of ENGIE's exposure to nuclear

PROGRESS ON ESG

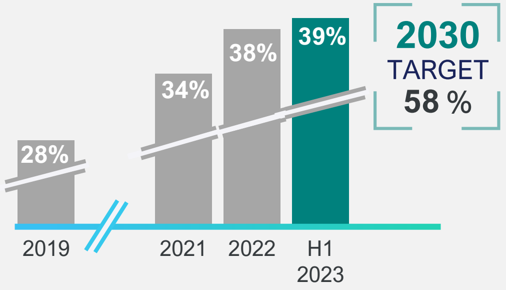
Greenhouse gas emissions

GHG[1] emissions
from energy production

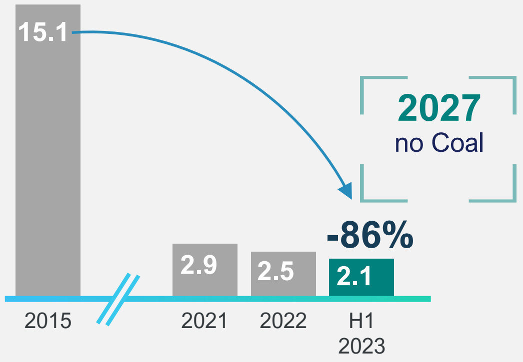


Renewables

Share of renewables
in total power generation capacity



Coal power generation
(GW@100%)



Net Zero

4 countries
net zero by **2030**

Brazil

100% renewable power generation
after Pampa Sul disposal

Towards net zero by 2030

1 Greenhouse gases, Scope1 and 3 ($MtCO_2$ eq)

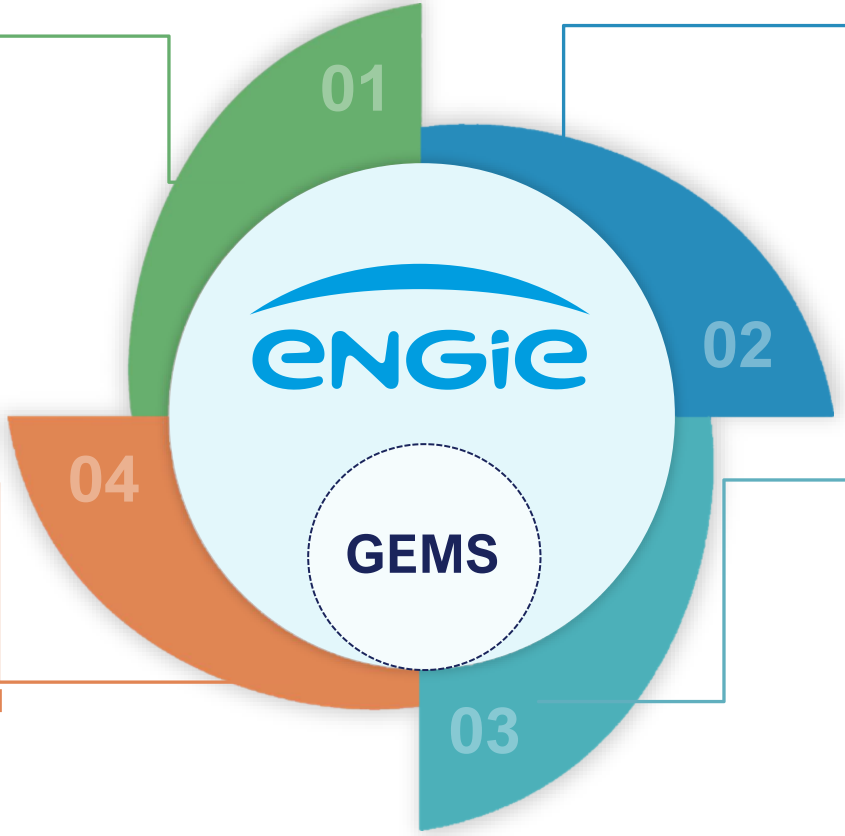
DELIVERING STRONG OPERATIONAL PROGRESS ACROSS GBUS

RENEWABLES

- **38.2 GW**[1] of installed capacity
- **0.7 GW**[1] added capacity in H1 2023
- **6.6 GW** under construction
- Pipeline **85 GW**, from **80 GW** at end-2022

ENERGY SOLUTIONS

- DHC: Multiple contracts awarded including **25-year concession in Cannes**
- On-site energy production: contracts won incl. **Barcelona with KAO, in France with Arkema and in Italy with BTicino (Legrand Group)**
- Elec. mobility – Launching ENGIE Vianeo Brand



NETWORKS

- Awarded a 30-year concession to construct and operate **1,000 km of power lines in Brazil**
- **Gas storage levels at 64 % in France** as of 30 June 2023
- Biomethane in France: **9.7 TWh/year of production capacity** connected to GRTgaz & GRDF

FLEX GEN & RETAIL

FLEX GEN

- COD of **150 MW of Hazelwood BESS**[2] in Australia
- Awarded land block linked to a project to produce up to **1.2 mtpa of green ammonia in Oman**

RETAIL

- Smooth transition with the **end of gas regulated offers in France**

1 At 100%
2 Battery Energy Storage Systems

LANDMARK FRAMEWORK AGREEMENT ON THE EXTENSION OF TWO BELGIAN REACTORS AND ALL NUCLEAR WASTE LIABILITIES

Nuclear agreement between ENGIE and Belgian State

Alignment of interests with balanced risk-allocation

- Signature of framework agreement
  - 10-year extension of Doel 4 and Tihange 3 targeting a re-start as of November 2025 through *Flex LTO*[1]
  - JV dedicated to the 2 units equally owned with the Belgian State with a Contract for Difference-type mechanism
  - Agreement on a fixed amount of €15bn related to the transfer of all nuclear waste liabilities
- Impact on H1 2023 NIgs of €4.4bn before tax and €4.1bn on Economic Net Debt
- No impact on ENGIE's guidance for the medium-term

Eliminates longstanding uncertainty regarding all future nuclear waste liabilities

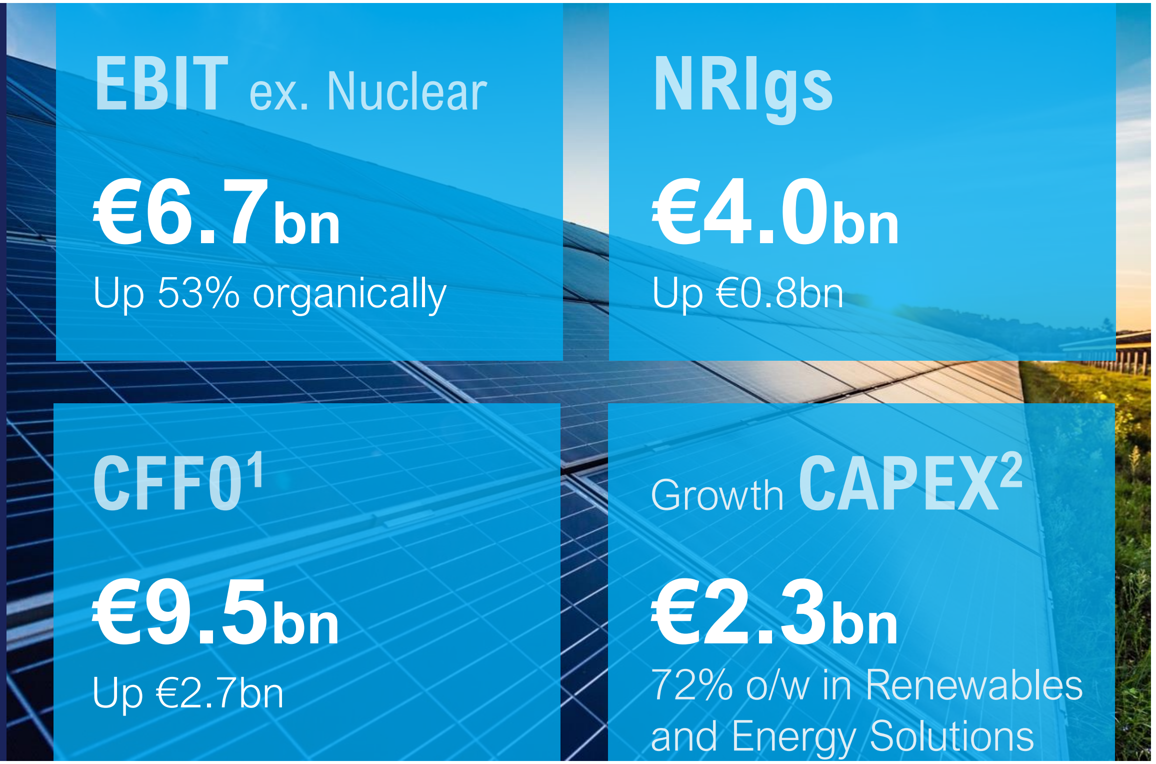
1 Flexible Long-Term Operation

H1 Financial and Strategic Progress

VERY STRONG H1 2023 RESULTS

- **EBIT ex. Nuclear at €6.7bn** mainly driven by GEMS and Renewables
- **Strong Cash flow** generation, CFFO up +€2.7bn yoy
- **Strong liquidity**: €23bn, incl. €16bn of cash

2023 guidance reaffirmed



1 Cash Flow From Operations = Free Cash Flow before Maintenance Capex and nuclear phase-out expenses
2 Net of sell down, US tax equity proceeds and including net debt acquired

ACCELERATION IN RENEWABLES UNDER CONSTRUCTION

- **Unprecedented level of capacity under construction** at end of June 2023

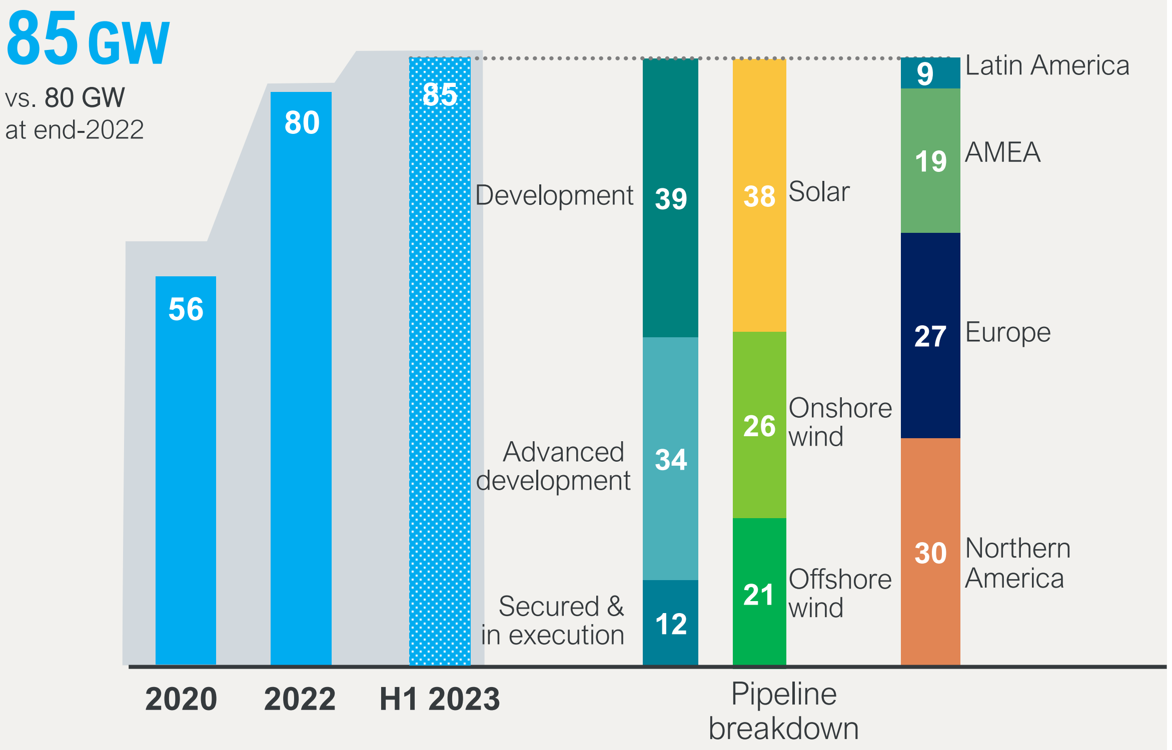
6.6 GW under construction

65 projects

3.2 GW entered in construction in H1 2023

- **Flagship projects entering in construction in Q2:**
  Ile d'Yeu & Noirmoutier & Dieppe-Le Tréport : **1.0 GW**
  Lomas de Taltal in Chile**: 0.3 GW**
- **1.7 GW** of PPAs signed, o/w **1.2 GW** with maturity longer than 5 years
- Reinforcing our Renewables platform in **South Africa: Acquisition of BTE** and **full consolidation of Kathu Solar Park**
- **Ocean Winds acquires stake of Principle Power** reaching 36.25% of ownership of a leading player in floating offshore technology

Global Pipeline (at 100%)



ENGIE WELL POSITIONED TO CAPTURE BESS MARKET GROWTH

A booming market

4X

growth in flexible capacity in Europe by 2050[1]

0.15 GW

of BESS is needed to balance every 1 GW of RES added[2]

Leveraging ENGIE's strengths

- Perfect fit with ENGIE's integrated model
- As a flexible system provider with 59 GW[3] of flex portfolio
- GEMS: In-depth market knowledge to monetise BESS assets
- Operational excellence to build and operate BESS
- Digital tools expertise

ENGIE BESS

0.7 GW Under construction[4]

0.2 GW Already in operation worldwide

In line with ENGIE's ambition to reach 10 GW of BESS by 2030

1. ENGIE's estimates including BESS – 2. Once renewables penetration is above 30% - 3. O/W 50 GW of natural gas and ~4 GW of pumped storage - 4. At 100%, excluding Energy Solutions capacity

COD OF HAZELWOOD, ENGIE’S LARGEST BESS WORLDWIDE

Australia

150 MW

Commissioned in H1 2023

- Flagship project in Australia illustrating ENGIE’s commitment to the energy transition worldwide
- Installed capacity of **150 MW / 150 MWh** allowing to:
  - Store equivalent of 1h of solar power generated by **30K homes** in Victoria State
  - **Inject power** into the grid in periods of peak demand
- Providing **flexibility** and guaranteeing electrical grid **reliability**

Rehabilitation of a former coal-powered plant, in line with ENGIE’s commitment to energy transition

Business model → **Energy arbitrage** + **Grid services**

H1 2023 FINANCIALS

PIERRE-FRANÇOIS RIOLACCI

CFO

STRONG OPERATIONAL AND FINANCIAL PERFORMANCE IN CONTINUED FAVORABLE ENERGY MARKET CONDITIONS

EBIT ex. Nuclear

up 53%

- NRIgs up €0.8bn
- Strong cash flow generation
- Improving credit ratios

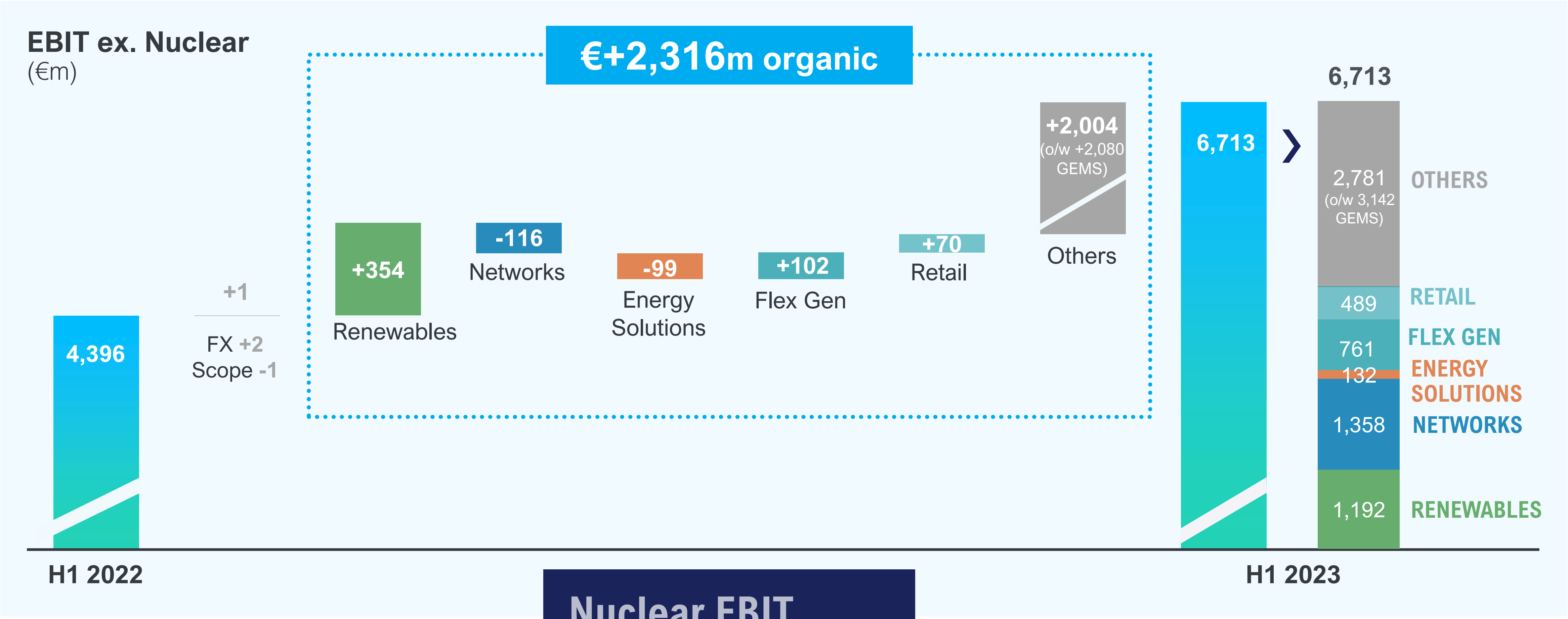
2023 guidance confirmed

H1 RESULTS €bn, unaudited figures[1]	**Actual**	**∆ Gross**	**∆ Organic**[2]
EBITDA ex. Nuclear	8.8	+38%	+38%
EBIT ex. Nuclear	6.7	+53%	+53%
CFFO[3]	9.5	+2.7	-
NRIgs	4.0	+0.8	
NIgs	(0.8)	-5.9	
Net Financial Debt	23.0	-1.1[4]	-
Economic Net Debt	41.4	+2.5[4]	-
Economic Net Debt / EBITDA	2.7x	-0.2x[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 2022

EBIT EX. NUCLEAR UP 53% ORGANICALLY

Strong organic growth mainly driven by GEMS and Renewables



Nuclear EBIT

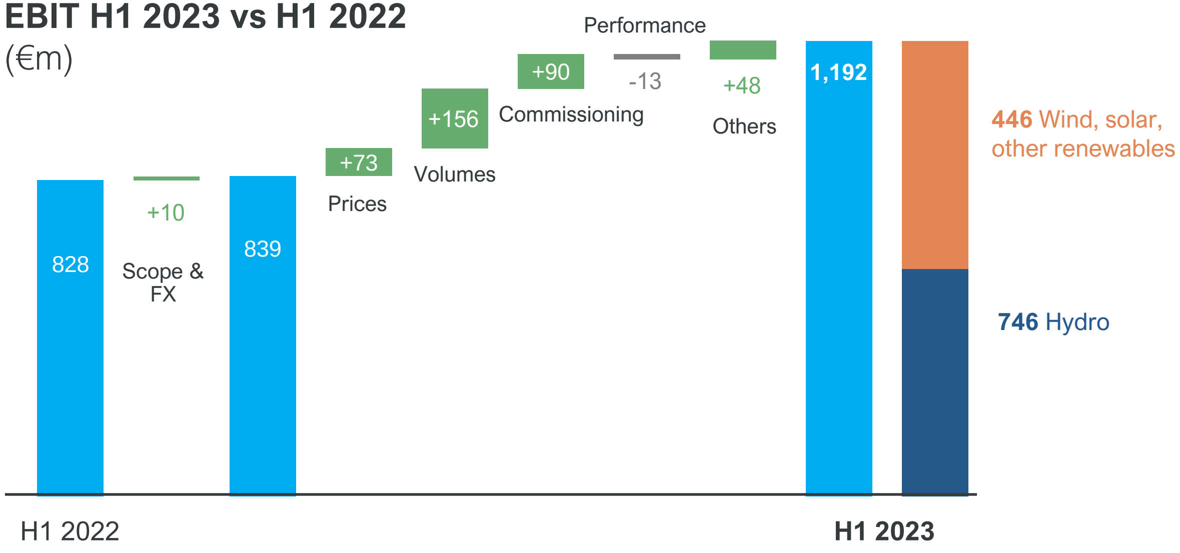
down €619m **to €239m**

RENEWABLES EBIT

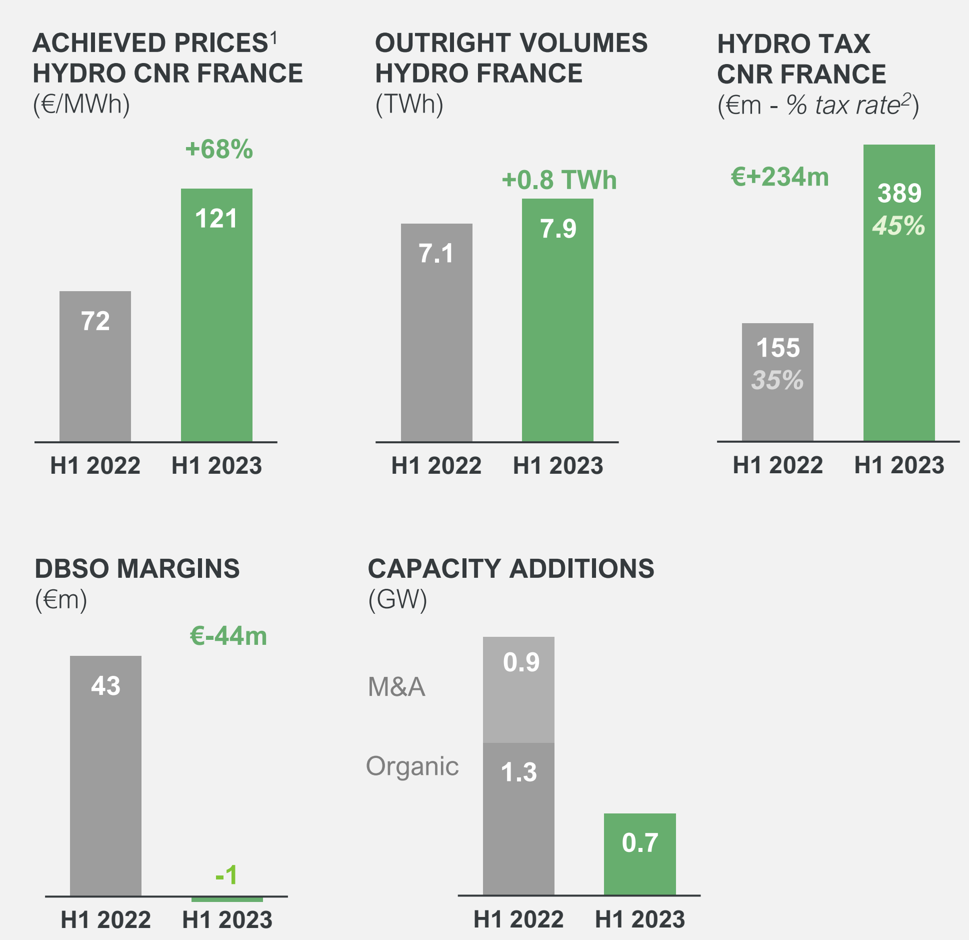
Strong growth with higher volumes, capacity commissioned and better captured prices

+43% Organic growth

EBIT H1 2023 vs H1 2022
(€m)



- **Scope & FX:** positive FX (mainly BRL) and scope (mainly Eolia acquisition)
- **Prices**: mainly higher prices for hydro in France and Portugal including reversal of H1 2022 buybacks
- **Volumes**: higher hydro volumes in France and Portugal
- **Commissioning**: for all key geographies (US, Europe and Latin America)
- **Others:** hydro concession extension in Brazil, no DBSO margin over the semester



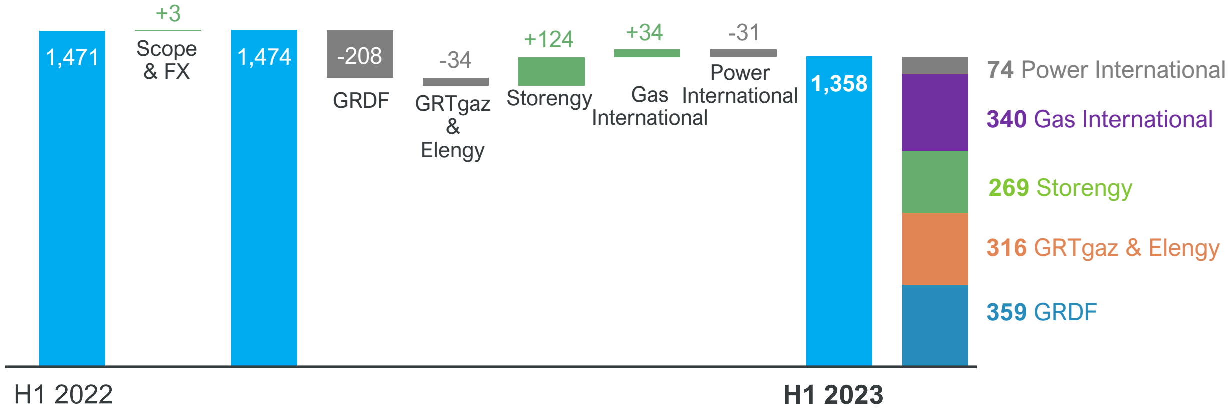
1. before hydro tax
2. on revenue

NETWORKS EBIT

Lower distributed volumes in France partly offset by net positive price effects in Europe

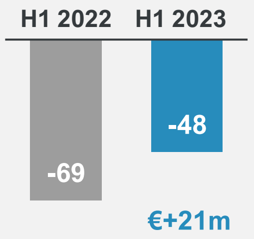
-8% Organic decrease

EBIT H1 2023 vs H1 2022
(€m)

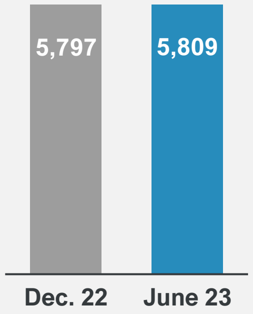


- **Scope & FX**: positive FX (mainly BRL), negative scope (Argentina disposal)
- **EBIT organic drivers**:
  - lower volumes distributed, higher energy costs, increasing staff costs driven by inflation in France
  - additional revenues from capacity subscribed for gas transit between France and Germany
  - higher margins for storage in the UK and Germany in a volatile price context
  - better performance of gas assets in Latin America

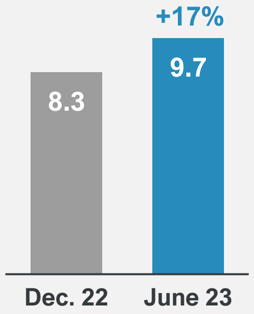
TEMPERATURE EFFECT IN FRANCE[1]
(€m)



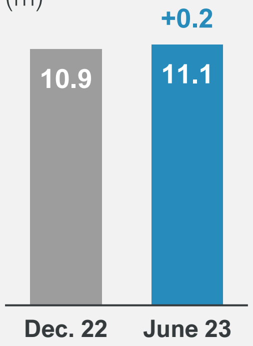
POWER TRANSMISSION NETWORK LENGTH
(km)



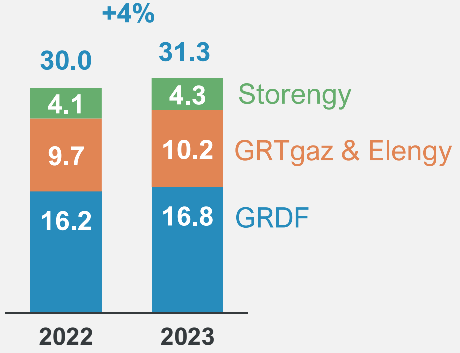
BIOMETHANE PROD. CAPACITY CONNECTED TO GRDF/GRTgaz
(TWh/y)



GAS SMART METERS INSTALLED IN FRANCE
(m)



FRENCH RAB[2]
(€bn)



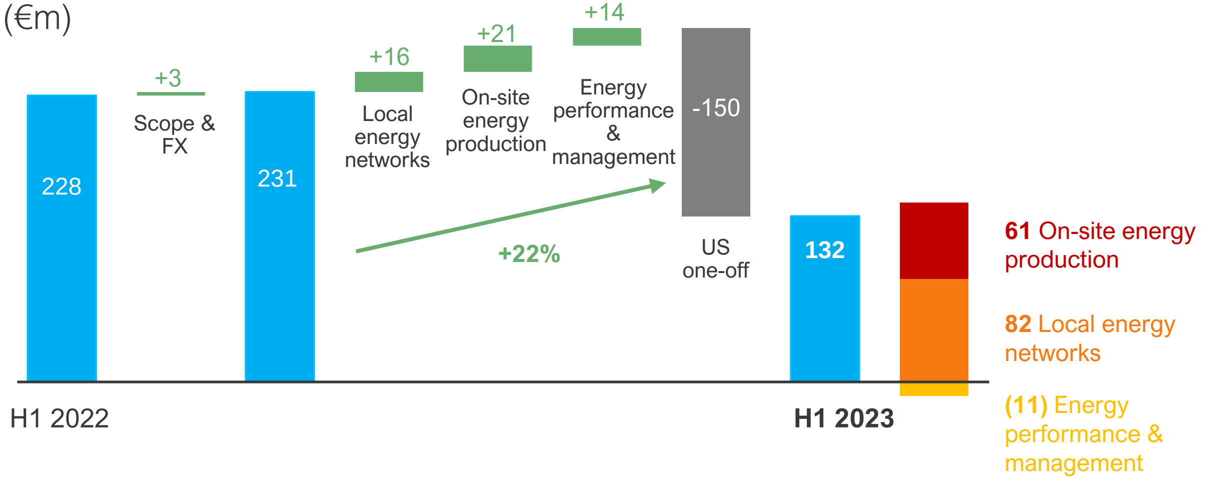
1. Normative sensitivity for Networks updated from ±7 M€/TWh to ±8 M€/TWh since 1st Jan 2023
2. RAB as of 01.01.YY, with 2023 RAB update not totally finalized yet

ENERGY SOLUTIONS EBIT

Heavily impacted by one-off provision for projects cost overruns in the US, steady progress in other operations

-€99m Organic decrease

EBIT H1 2023 vs H1 2022
(€m)



- **Scope & FX**: mainly 2022 disposals of ENDEL and activities in Africa and China
- **Local energy networks:** strong operational performance, partly offset by negative impacts of strikes in France in District heating
- **On-site energy production:** mainly good results of cogeneration assets in France
- **Energy performance management:** overall margin improvement and developments
- **US one-off**: 2023 cost overruns on 2 specific projects of cogeneration plants

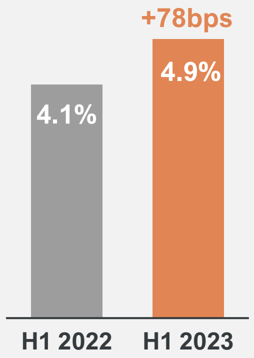
US one-off:

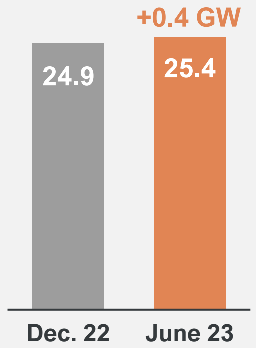
Related to construction of 2 CHP plants and related networks / assets

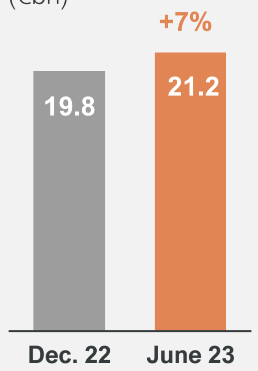
Major issues with the 2 subcontractors for the construction leading to additional costs to finalize the project => provision for onerous contract booked

Total provisions 150M€

Next steps: Ongoing discussions with partners & customers and legal actions undertaken





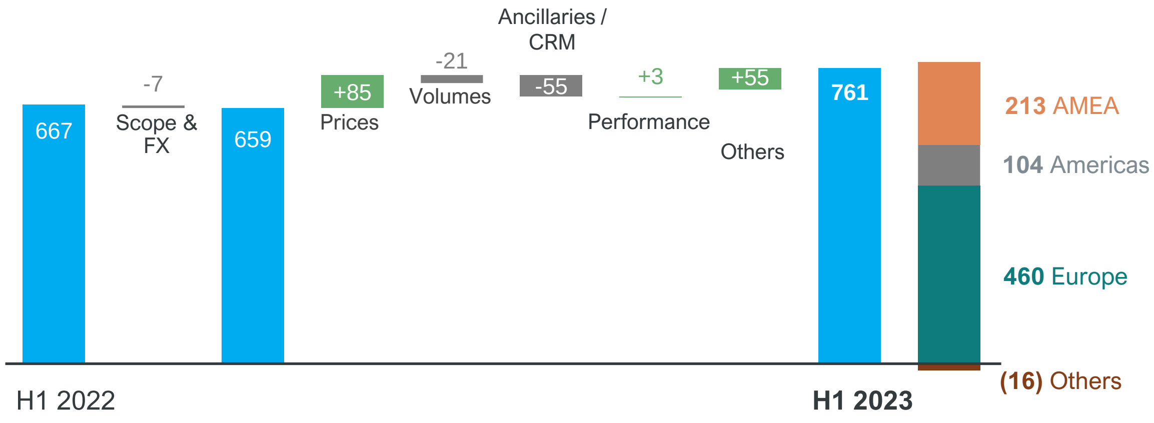


FLEX GEN EBIT

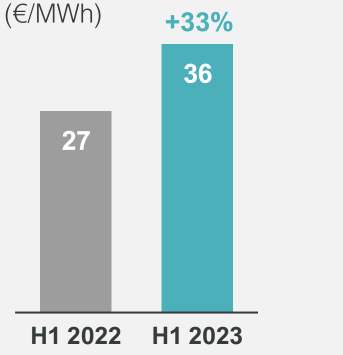
Strong performance driven by recovery in Chile, higher achieved spreads in Europe, partly offset by lower ancillaries

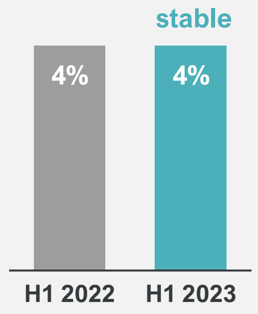
+16% Organic growth

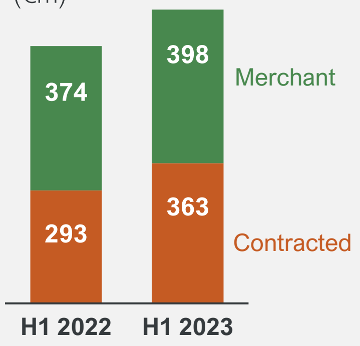
EBIT H1 2023 vs H1 2022
(€m)

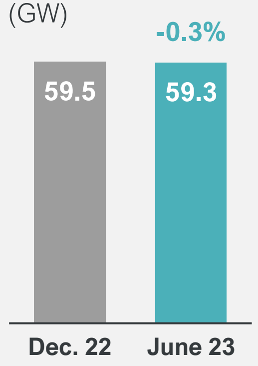


- **Scope & FX:** negative FX (GBP) and scope (Pampa Sul coal plant sale closed in May 2023)
- **Prices**: improvement in Chile with reduction of short positions and lower sourcing prices, higher spreads for European gas assets, but lower market opportunities captured
- **Volumes**: mainly stop of biomass operations in Rodenhuize
- **Ancillaries / CRM**: lower ancillaries for European gas plants from a very high basis
- **Others**: mainly reversal of Italian extraordinary tax







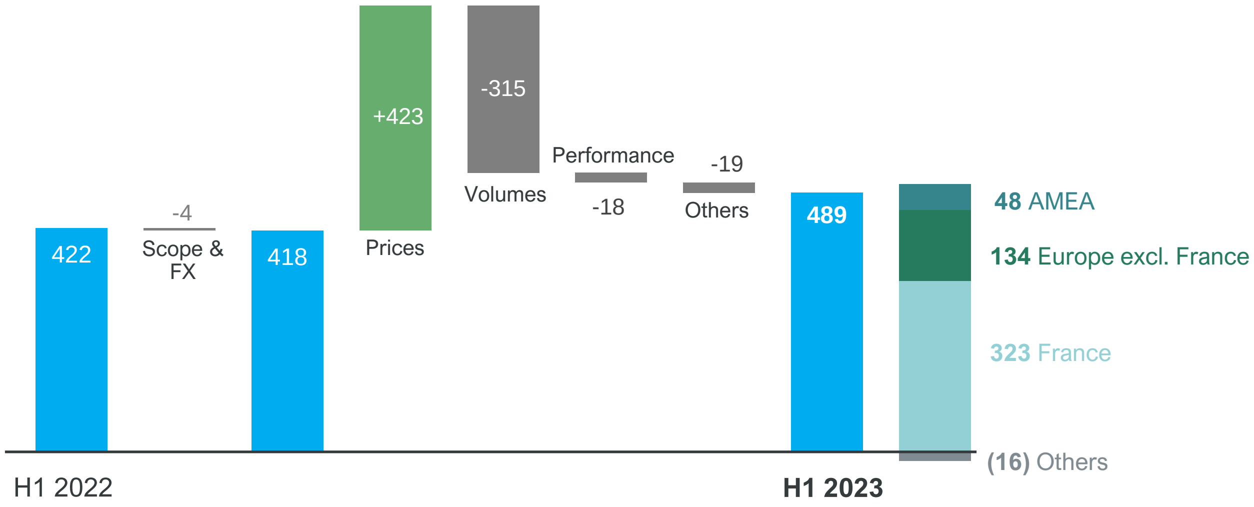


RETAIL EBIT

Better margin and retrocession of portfolio optimization profit partly offset by mild winter & lower consumption

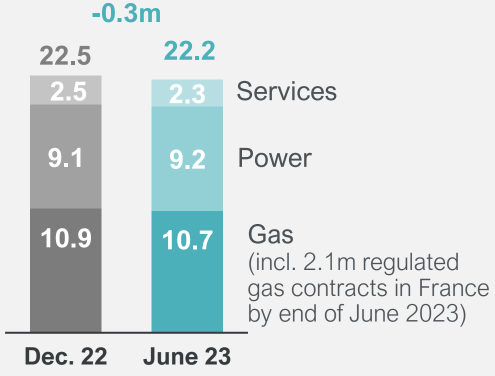
+17% Organic growth

EBIT H1 2023 vs H1 2022
(€m)

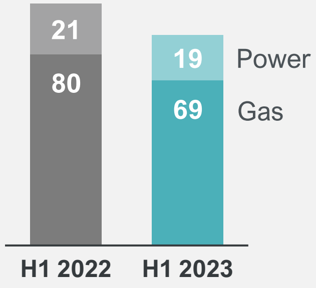


- **Prices:** higher margins in France including phasing effect on portfolio optimization as well as in Romania, new profit-sharing mechanism on portfolio optimization
- **Volumes:** mainly climate with reversal of long positions sold at high prices in 2022
- **Performance:** pressure on G&A and improvement of loss-making entities lagging

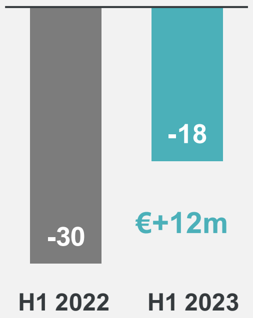
B2C CONTRACTS
(m)



B2C SUPPLY VOLUMES
(TWh)



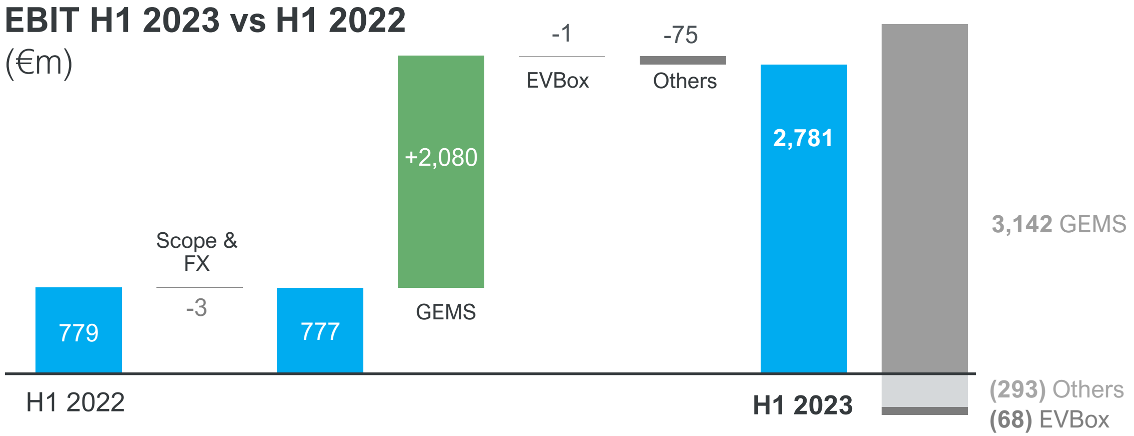
TEMPERATURE EFFECT IN FRANCE
(€m)



OTHERS EBIT

Significant contribution from GEMS

+€2.0bn Organic growth



GEMS:

- negative impact in H1 2022 related to Gazprom contracts considering the risk of physical disruption not repeated
- strong performance of energy management activities in Europe, still benefiting from good market conditions, although less favorable than in 2022
- gradual normalization of market conditions, leading to continuous reversal of market reserves
- good performance of B2B business, in a market environment that allows full valuation of the cost of risk
- high contribution of transactions locked in 2022, which materialize at delivery date

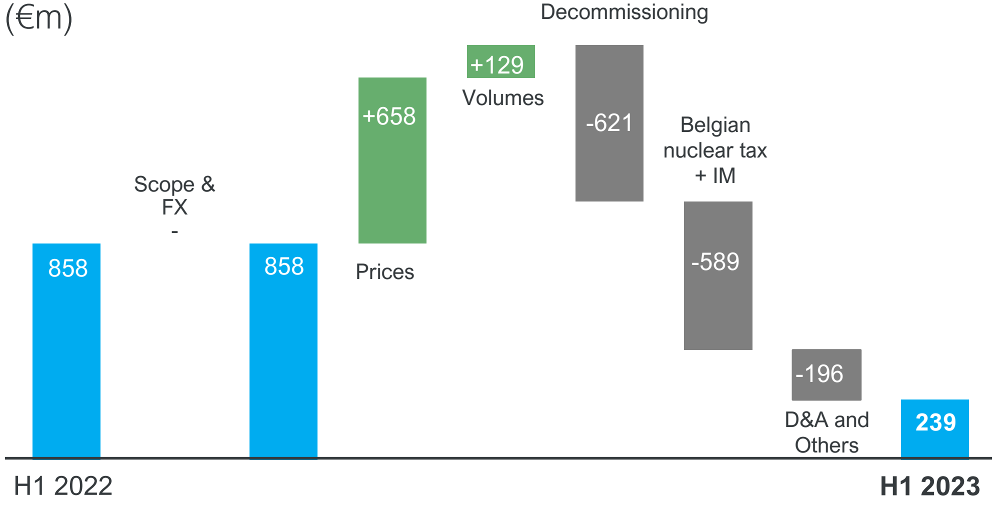
Key market drivers (€/MWh)		H1 2021	H1 2022	H1 2023
Prices & Spreads (month ahead)	Power Germany	57	221	114
	Gas TTF	22	100	44
	France Clean Spark Spreads	(2)	40	2
Geographical spreads	Power DE-FR	2	41	9
	Gas TTF-TRF (Netherlands-France)	(0.2)	(6.2)	(1.8)
Volatility	Bid-Ask spread	0.0	0.5	0.1
	Gas intraday volatility (spread low-high)	1.1	14.6	4.0

NUCLEAR EBIT

Higher taxes, net impact of decommissioning, partly offset by higher captured prices

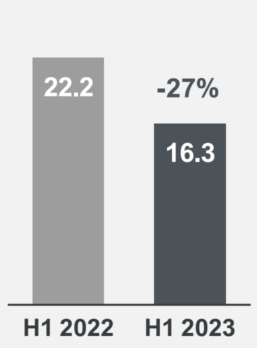
-€0.6bn Decrease

EBIT H1 2023 vs H1 2022
(€m)

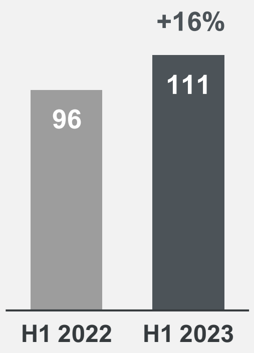


- **Price:** higher power prices captured
- **Volume:** higher availability in Belgium and drawing rights in France
- **Decommissioning:** net impact of Doel 3 & Tihange 2 decommissioning
- **D&A and others**: higher depreciation resulting from 2022 triennial provision review

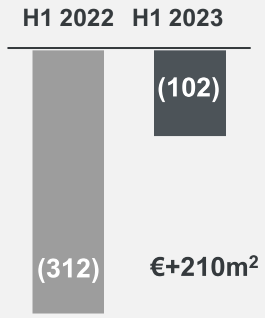
VOLUMES BE+FR @SHARE
(TWh)



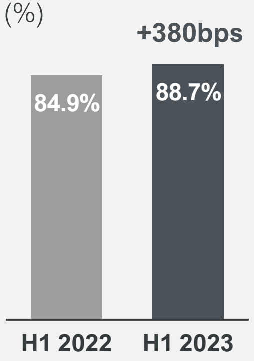
PRICES[1] CAPTURED
(€/MWh)



NUCLEAR TAX BELGIUM
(€m)



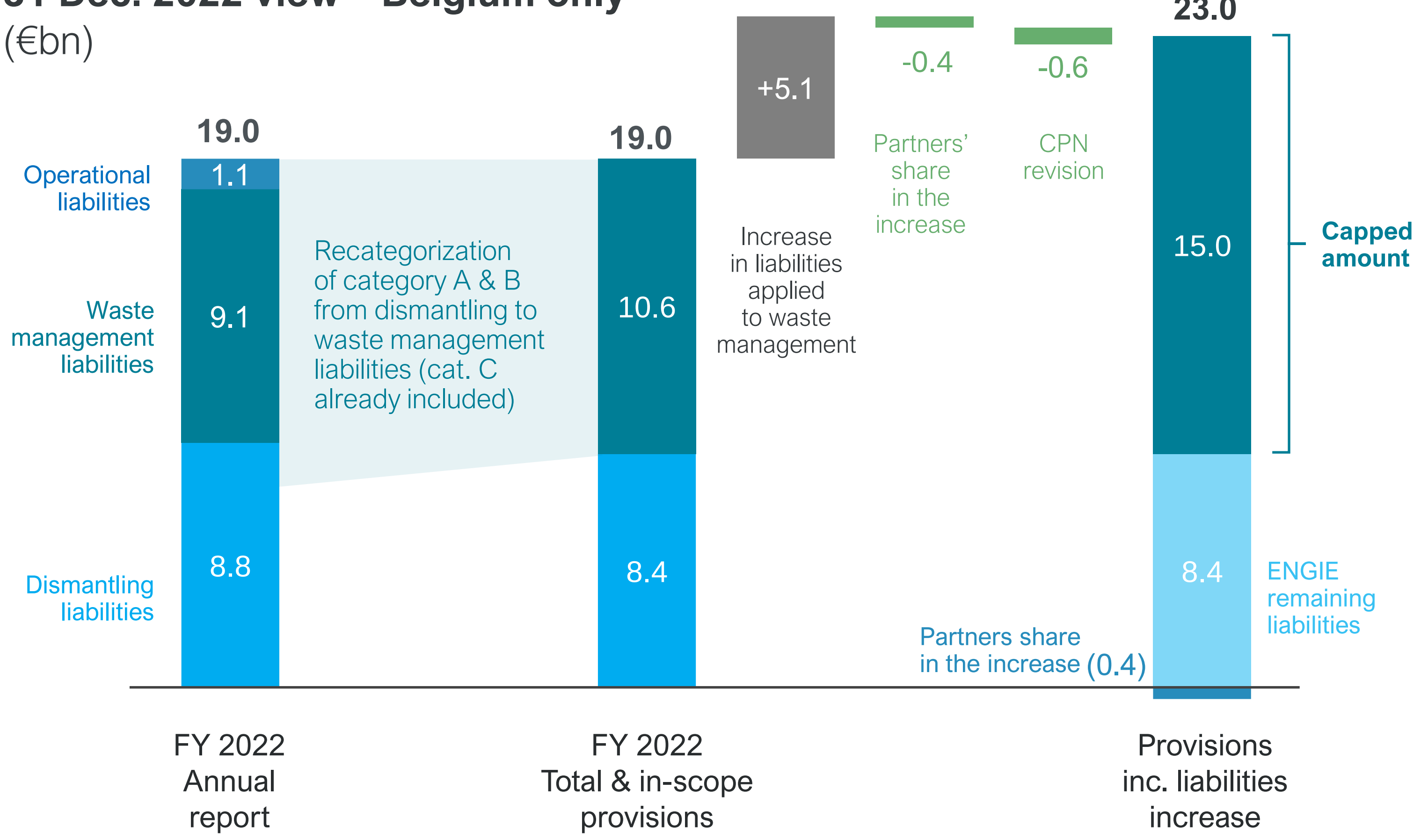
AVAILABILITY BELGIUM
(%)



1. before nuclear tax in Belgium and inframarginal rent cap
2. of which effect of the 2 reactors closure: €-220m, including in the “decommissioning” effect

NUCLEAR FRAMEWORK AGREEMENT IMPACTS

31 Dec. 2022 view – Belgium only
(€bn)



H1 2023 – Non-recurring P&L

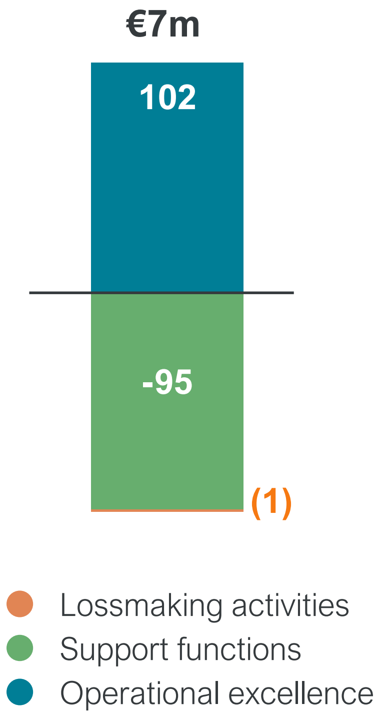
(€bn)	H1 2023
Waste management liabilities increase	(5.1)
H1 2023 waste management liabilities increase indexation	(0.1)
Partners' share in waste management liabilities increase	0.4
CPN revision	0.6
Dismantling asset*	(0.2)
Total impact	**(4.4)**

*The €0.6bn CPN revision led to a decrease in the related dismantling asset, which was already partly impaired. Part of the impairment on this dedicated asset is therefore automatically reversed

PERFORMANCE PLAN

Little progress in a more challenging inflationary context

H1 2023 progress



- **Operational excellence:** contract renegotiation, O&M optimisation mainly in Networks and Renewables
- **Support functions:** keep pushing in inflationary context
- **Lossmaking activities:** further needs to improve, esp. on EVBox

2021-23 performance plan almost achieved

Period	Achieved
2021-22	€509m
H1 2023	€7m

Period	Target
2021-23	€0.6bn

OVERVIEW OF P&L FROM EBITDA TO NET INCOME

NRIgs growth, while NIgs impacted by effects of nuclear framework agreement

From EBITDA to NRIgs

(€bn)	H1 2023	H1 2022	Delta
EBITDA	**9.4**	7.5	+1.9
D&A and others	**(2.4)**	(2.2)	-0.2
EBIT	**7.0**	5.3	+1.7
Recurring financial result[1]	**(1.1)**	(1.0)	-0.1
Recurring income tax	**(1.3)**	(0.7)	-0.6
Minorities & Others	**(0.5)**	(0.3)	-0.2
NRIgs (continuing activities)	**4.0**	3.2	+0.8

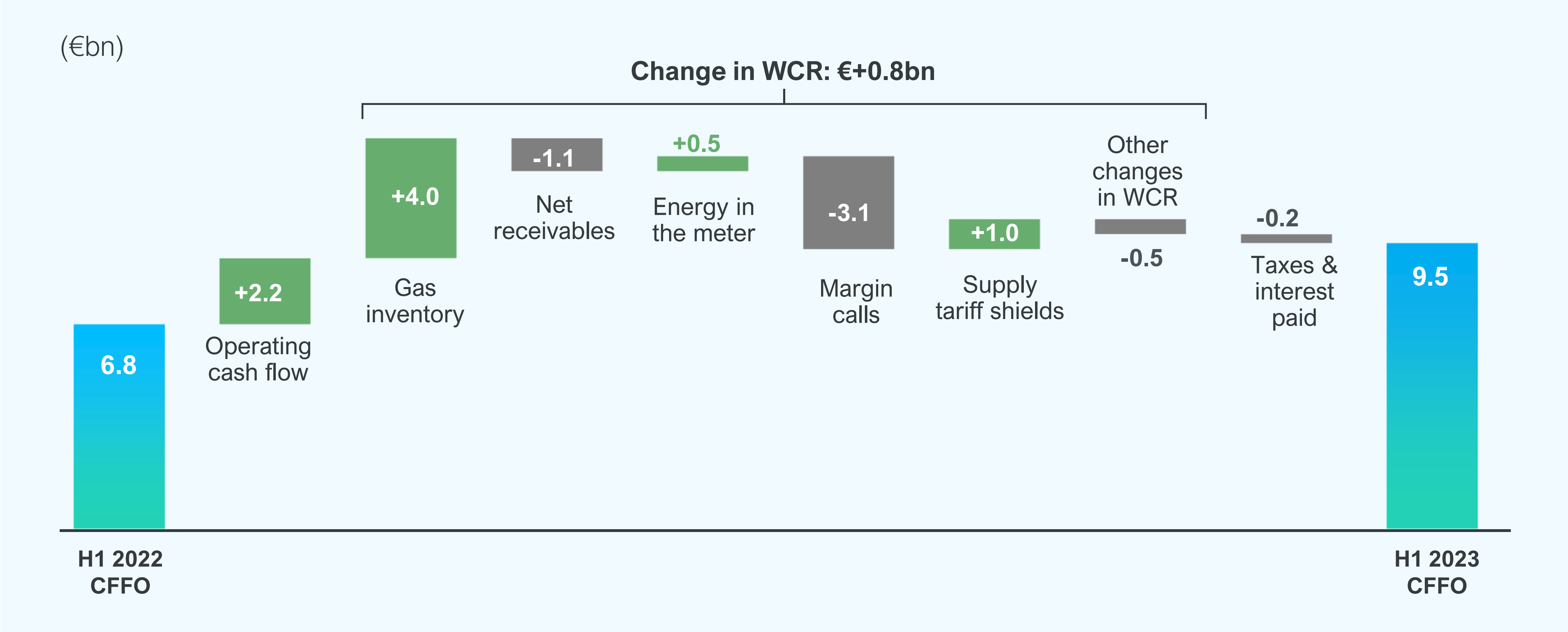
From NRIgs to NIgs

(€bn)	H1 2023
NRIgs (continuing activities)	**4.0**
Impairment[2]	**0.4**
Restructuring costs	**(0.0)**
Capital gains	**(0.1)**
Commodities MtM	**(0.4)**
Others[3]	**(4.7)**
NIgs	**(0.8)**

1. Mainly cost of net debt + unwinding of discount on long-term provisions
2. Mainly reversal of impairment losses previously booked on some nuclear dismantling assets following CPN final conclusions on 7 July 2023
3. Mainly impact from Nuclear framework agreement signed on 29 June, made binding following the supplements to the initial agreements signed on 21 July 2023

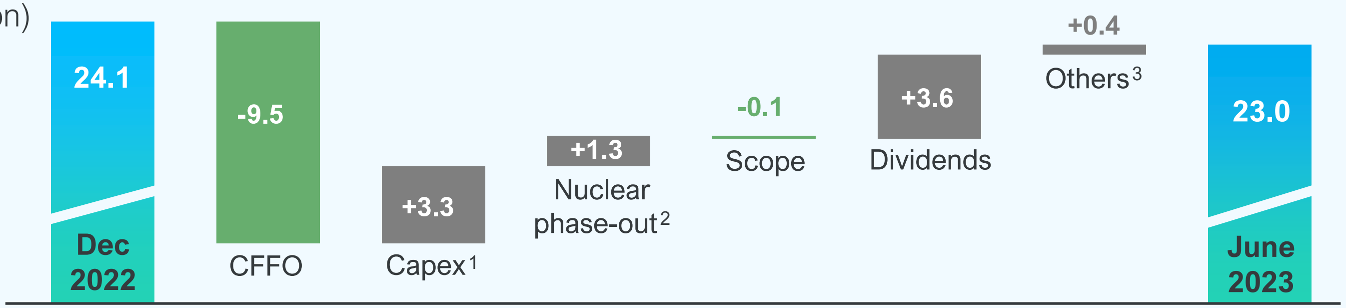
CASH FLOW FROM OPERATIONS

Strong cash generation driven by EBITDA growth, gas storage activity and commodity prices decrease

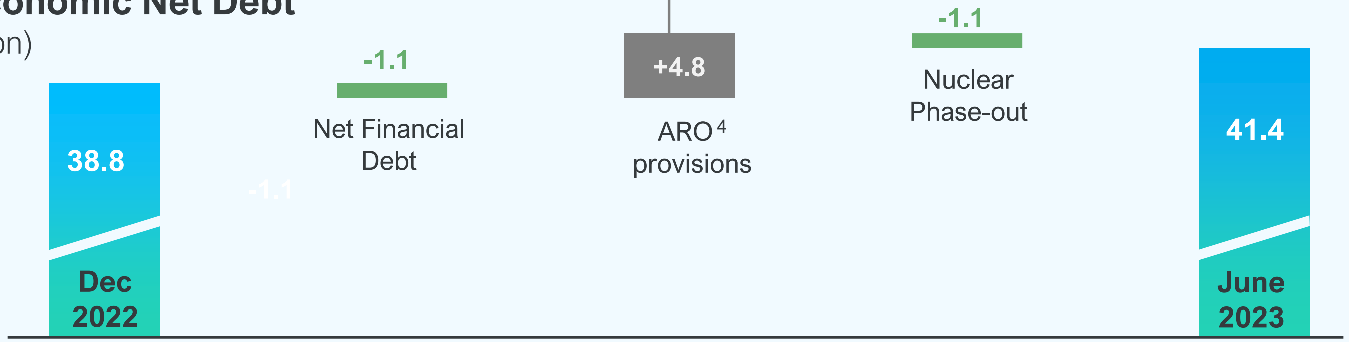


CASH GENERATION OFFSETTING IMPACTS OF NUCLEAR FRAMEWORK AGREEMENT, CREDIT RATIO MAINTAINED

Net Financial Debt
(€bn)

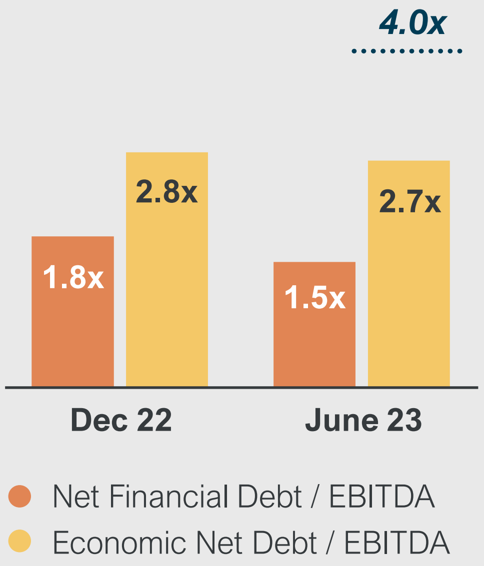


Economic Net Debt
(€bn)



of which impact of nuclear framework agreement + CPN review: €4.1bn

Leverage ratios



Rating: 'Strong investment grade' maintained

1 Growth + maintenance Capex, net of sell down, US tax equity proceeds, including net debt acquired
2 Including Synatom funding and waste/dismantling expenses for €0.2bn
3 Mainly new right-of-use
4 Asset Retirement Obligations for dismantling, decommissioning, nuclear waste management, and other nuclear liabilities

UPGRADED FY 2023 GUIDANCE CONFIRMED

EBITDA
ex nuclear indication

€12.9 - 13.9bn

EBIT
ex nuclear indication

€8.5 - 9.5bn

NRIgs
guidance

€4.7 - 5.3bn

Rating

'Strong investment grade'
Economic Net Debt / EBITDA
≤ 4.0x over the long term

Dividend

65-75%
payout ratio based on NRIgs

Floor of **€0.65**

Key assumptions[1]

FX:
- **€/USD:** 1.08
- **€/BRL:** 5.46

Market commodity forward prices
as at 31 May 2023

Nuclear Belgium
c. 90% nuclear availability and €0.2bn contingencies

Average weather conditions
for the rest of the year

Recurring net financial costs
€(2.2-2.4)bn

Recurring effective tax rate
~24-27%

1 Guidance and indications based on continuing operations.
Assumptions also include full pass through of supply costs in French Retail tariffs, no major regulatory or macro-economic changes, no change in accounting policies, inframarginal rent caps based on current legal texts

SUMMARY

Strong H1 2023 financial and operational performance

Relentless delivery of strategic plan across GBUs

Fundamental de-risking of ENGIE's exposure to nuclear

ADDITIONAL MATERIAL

H1 2023 EBIT CHANGE BY ACTIVITY

Y/Y change (€m)	Gross	FX / Scope	Organic	Key drivers for organic change	
RENEWABLES	+364	BRL appreciation Eolia acquisition in Spain	+354	↗ Higher hydro volumes in France and Portugal ↗ Higher hydro prices in France, reversal of 2022 buybacks ↗ Commissioning of new capacity (+90)	↘ no DBSO margin
NETWORKS	-113	BRL appreciation	-116	↗ Storage: favorable environment in the UK ↗ Operational performance in Brazil	↘ GRDF: lower gas consumption in France ↘ Higher energy and staff costs
ENERGY SOLUTIONS	-95	Disposal of loss-making activities	-99	↗ Operational performance ↗ Margin improvement	↘ Cost overruns in the US (-150) ↘ Strikes in France
FLEX GEN	+94	GBP depreciation Coal exit in Brazil	+102	↗ Impact of 2022 Italian extraordinary tax not repeated ↗ Higher spreads in Europe ↗ Energy margin recovery in Chile	↘ Lower ancillaries in Europe (-55) ↘ Lower market opportunities captured in Europe
RETAIL	+66		+70	↗ Margin improvement in France and Romania ↗ Implementation of profit-sharing mechanism with GEMS ↗ Phasing effect	↘ Temperature in Europe: 2022 long position sold at higher prices & 2023 long gas position sold at lower prices
OTHERS	+2,002		+2,004	↗ GEMS: 2022 negative impacts related to Gazprom contracts not repeated ↗ Better market visibility improving valuation of assets & liabilities ↗ Overperformance in all activities	
ENGIE ex. Nuclear	**+2,317**	**+1**	**+2,316**		
NUCLEAR	-619		-619	↗ Better achieved prices ↗ Higher volumes in Belgium and France	↘ Effect of the Inframarginal rent cap ↘ Increase in D&A ↘ Decommissioning of 2 reactors (-621)
ENGIE	**+1,698**	**+1**	**+1,697**		

EBIT BREAKDOWN

H1 2023 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	409	184	523	78	14	(16)	1,192
NETWORKS	931	56	378	(3)		(5)	1,358
ENERGY SOLUTIONS	177	108	(2)	(150)	31	(32)	132
FLEX GEN		460	79	25	213	(16)	761
RETAIL	323	134			48	(16)	489
OTHERS[1]		(3)	0	8	(0)	2,776	2,781
o/w GEMS						*3,142*	*3,142*
EBIT ex. NUCLEAR	**1,840**	**939**	**978**	**(41)**	**305**	**2,691**	**6,713**
NUCLEAR		239					239

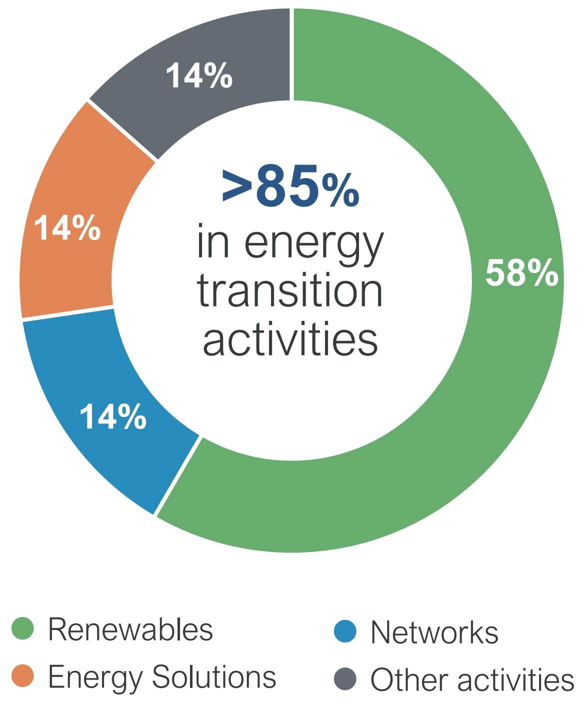
H1 2022 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	205	162	421	58	9	(26)	828
NETWORKS	1,059	69	351	(2)		(5)	1,471
ENERGY SOLUTIONS	170	47	(1)	5	23	(17)	228
FLEX GEN		447	(2)	21	216	(15)	667
RETAIL	434	(8)	3		2	(10)	422
OTHERS[1]		(3)	(0)	8	(0)	775	779
o/w GEMS						*1,062*	*1,062*
EBIT ex. NUCLEAR	**1,868**	**714**	**772**	**90**	**250**	**702**	**4,396**
NUCLEAR		858					858

1 Including mainly GEMS (GEM + main Retail B2B activities), Corporate, GTT and EVBox

CAPEX ALMOST ENTIRELY ORGANIC

€2.3bn growth Capex

invested in H1 2023



H1 2023 Capex (€bn)	
Growth Capex	2.3
Maintenance Capex	1.0
Total	**3.3**

GUIDANCE

2023 updated commodity forward prices assumptions

Main commodity forward prices[1]
(31 May 2023)
Basis for the confirmed 2023 indications and guidance

(€/MWh - €/t)	2023[1]
Power Base BE	95
Power Base FR	118
CSS Base / Peak NL	(7)/1
CSS Base / Peak BE	(2)/9
CSS Base / Peak FR	23/74
Gas TTF	33
CO_2	80

Belgian contingencies: **€0.2bn**

Main commodity forward prices
(30 December 2022)
Basis for the initial 2023 indications and guidance

(€/MWh - €/t)	*2023[1]*
Power Base BE	*204*
Power Base FR	*245*
CSS Base / Peak NL	*8/69*
CSS Base / Peak BE	*11/61*
CSS Base / Peak FR	*70/174*
Gas TTF	*80*
CO_2	*82*

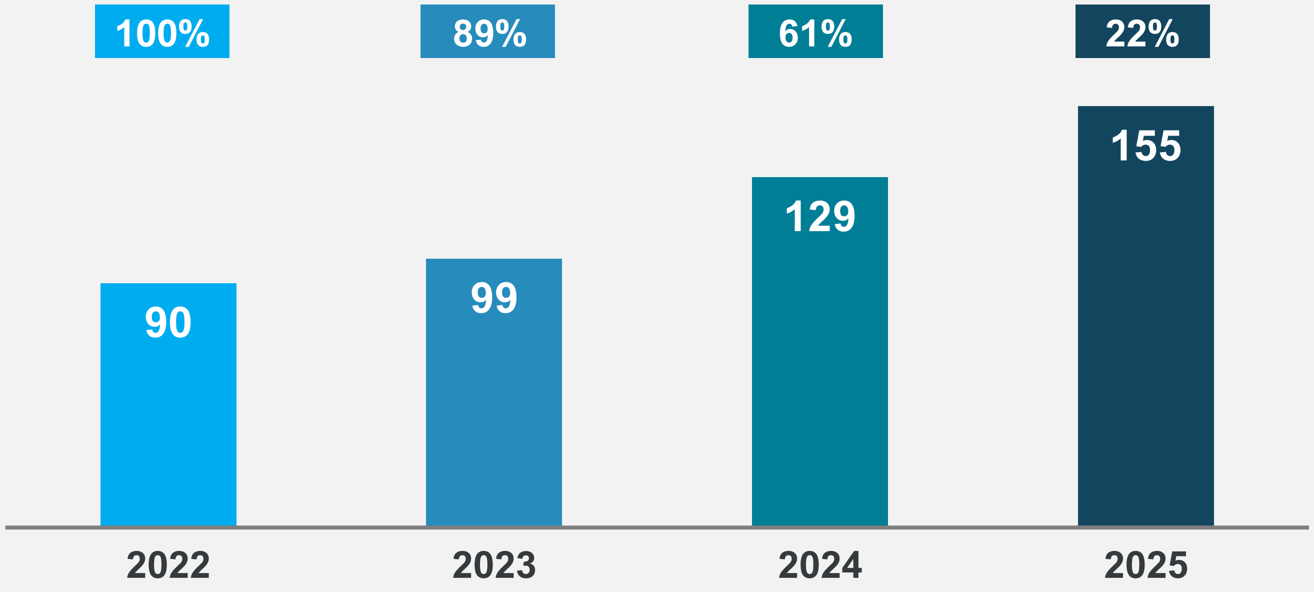
Belgian contingencies: ***€0.5bn***

1 Relevant for 2023 unhedged volumes

OUTRIGHT POWER PRODUCTION IN EUROPE

Nuclear and Hydro

Hedged positions and captured prices
(% and €/MWh)



As at 30 June 2023
Belgium and France

Captured prices are shown:

- **before specific** Belgian nuclear and French CNR hydro tax **contributions**
- **before inframarginal** rent cap in Belgium and France
- **excluding** the mark-to-market impact of the proxy hedging used for part of Belgian nuclear volumes over 2023-2025, which is volatile and historically unwinds to close to zero at delivery

DISCLAIMER

Important Notice

The figures presented here are those customarily used and communicated to the markets by ENGIE. This message includes forward-looking information and statements. Such statements include financial projections and estimates, the assumptions on which they are based, as well as statements about projects, objectives and expectations regarding future operations, profits, or services, or future performance. Although ENGIE management believes that these forward-looking statements are reasonable, investors and ENGIE shareholders should be aware that such forward-looking information and statements are subject to many risks and uncertainties that are generally difficult to predict and beyond the control of ENGIE and may cause results and developments to differ significantly from those expressed, implied or predicted in the forward-looking statements or information. Such risks include those explained or identified in the public documents filed by ENGIE with the French Financial Markets Authority (*AMF*), including those listed in the "Risk Factors" section of the ENGIE (ex GDF SUEZ) Universal Registration Document filed with the AMF on March 09, 2023 (under number D.23.0082). Investors and ENGIE shareholders should note that if some or all of these risks are realized, they may have a significant unfavourable impact on ENGIE.

FOR MORE INFORMATION ABOUT ENGIE

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FOR MORE INFORMATION ABOUT H1 2023 RESULTS:
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