



9M 2023 FINANCIAL INFORMATION

7 November 2023



CATHERINE MACGREGOR

CEO

9M 2023 HIGHLIGHTS

➤ **Strong earnings performance and guidance upgrade**

➤ **Record level of renewable capacity under construction**

➤ **Pivotal expansion move in battery storage**

➤ **Nuclear agreement on track**



STRONG 9M 2023 RESULTS AND GUIDANCE UPGRADED

- **EBIT ex. Nuclear at €8.0bn** mainly driven by GEMS and Renewables
- **Strong Cash flow** generation, CFFO up €4.6bn yoy
- **Growth Capex** accelerating, up 27% yoy driven by Renewables, Energy Solutions and Flex Gen

2023 guidance upgraded

EBIT ex. Nuclear

€8.0bn

Up 28% organically

CFFO¹

€13.0bn

Up €4.6bn

Growth **CAPEX**²

€4.6bn

o/w 83% in Renewables
Energy Solutions & Flex Gen

¹ Cash Flow From Operations = Free Cash Flow before Maintenance Capex and nuclear phase-out expenses

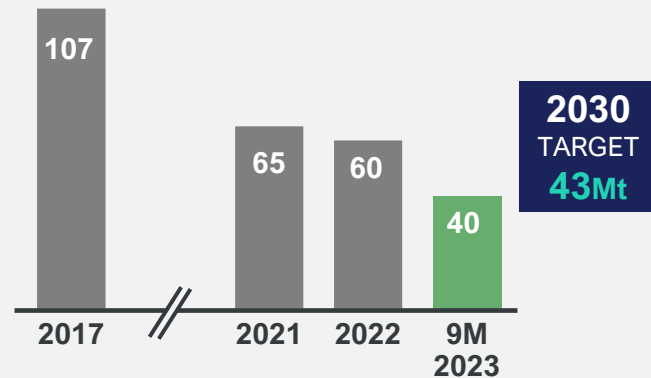
² Net of sell down, US tax equity proceeds and including net debt acquired

PROGRESS ON ESG



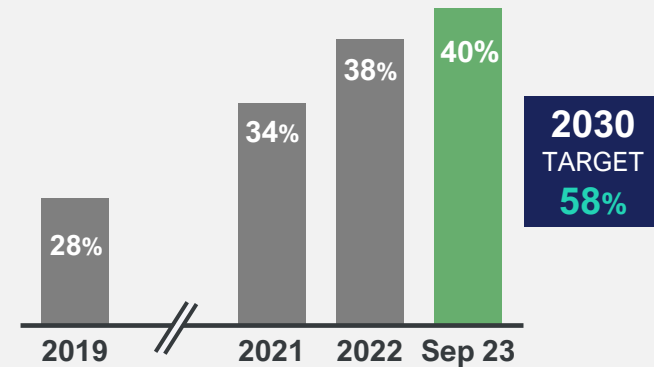
Greenhouse gas emissions

GHG¹ emissions
from energy production (Mt)



Renewables

Share of renewables
in total power generation capacity



Green Financing

ENGIE,
a leading issuer of green bonds

€5.1bn
issued in 9M 2023

#1 corporate issuer
in 9M 2023

¹ Greenhouse gases, Scope1 and 3 (MtCO₂ eq)

STRATEGIC PLAN ROLL-OUT: SHOWCASING OUR INNOVATORY LEADERSHIP IN Q3

RENEWABLES

- **38.6 GW¹** of installed capacity
- **1.2 GW¹** added capacity in 9M 2023
- **7.6 GW¹** under construction

ENERGY SOLUTIONS

- **DHC**: ~250MW of contracts won during 9M 2023
- On-site energy production: **WORLD'S FIRST full hydrogen turbine** installed for an industrial customer

NETWORKS

- HyPSTER: start-up of **FIRST green hydrogen salt cavern** storage demonstration facility
- **Biomethane**: acquisition of Ixora in UK, 10.3 TWh/y production capacity connected to ENGIE's network in France
- **Gas storage levels at 94 % in France** as of 30 Sep 2023

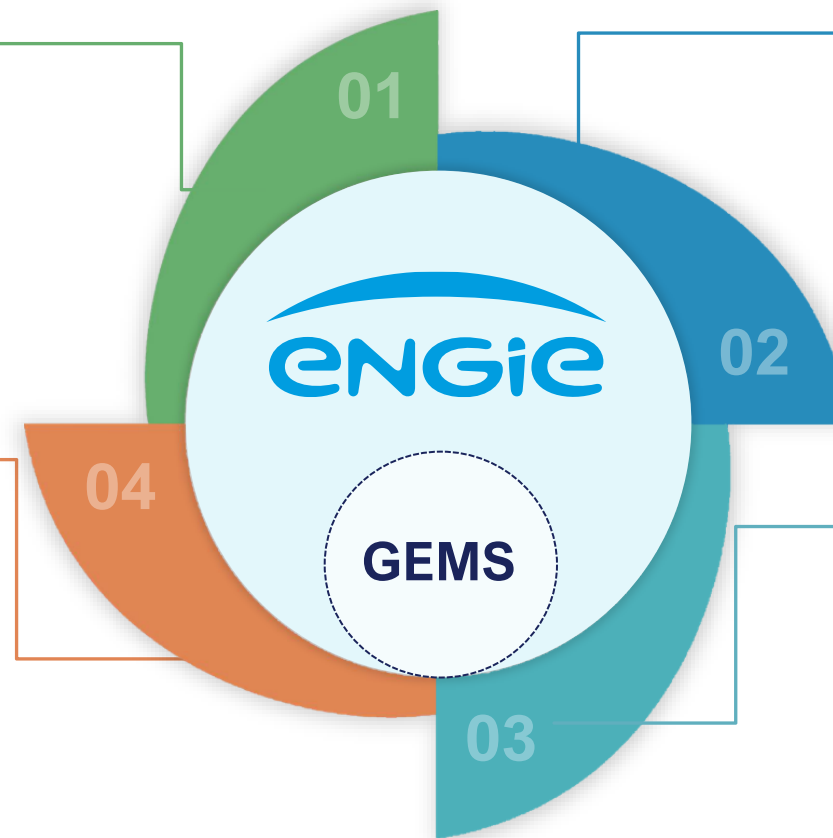
FLEX GEN & RETAIL

FLEX GEN

- Development of battery storage in USA: **acquisition of Broad Reach Power**

RETAIL

- Historically low churn rates and high Net Promoter Score in all our countries



¹ At 100%

RENEWABLES: FUTURE GROWTH LOCKED IN

High level of Construction activity

7.6 GW
under construction

68
projects

4.6 GW
entered into construction
in 9M 2023

Offshore wind:
3 projects (1 GW in **France**,
and 0.9 GW in **UK**)

Brazil:
Assurua wind farm (846 MW)

US:
3 solar projects (730 MW)

Egypt:
Gulf of Suez 2 (500 MW)

India:
1 solar project (400 MW)

Leader in green PPAs

2.0 GW in 9M 2023
of PPAs signed,
o/w **1.5 GW** with maturity
longer than 5 years

#1 in corporate PPAs
All-time and in H1 2023
(Source: BNEF)

Repowering in Germany

x4
energy yield after repowering

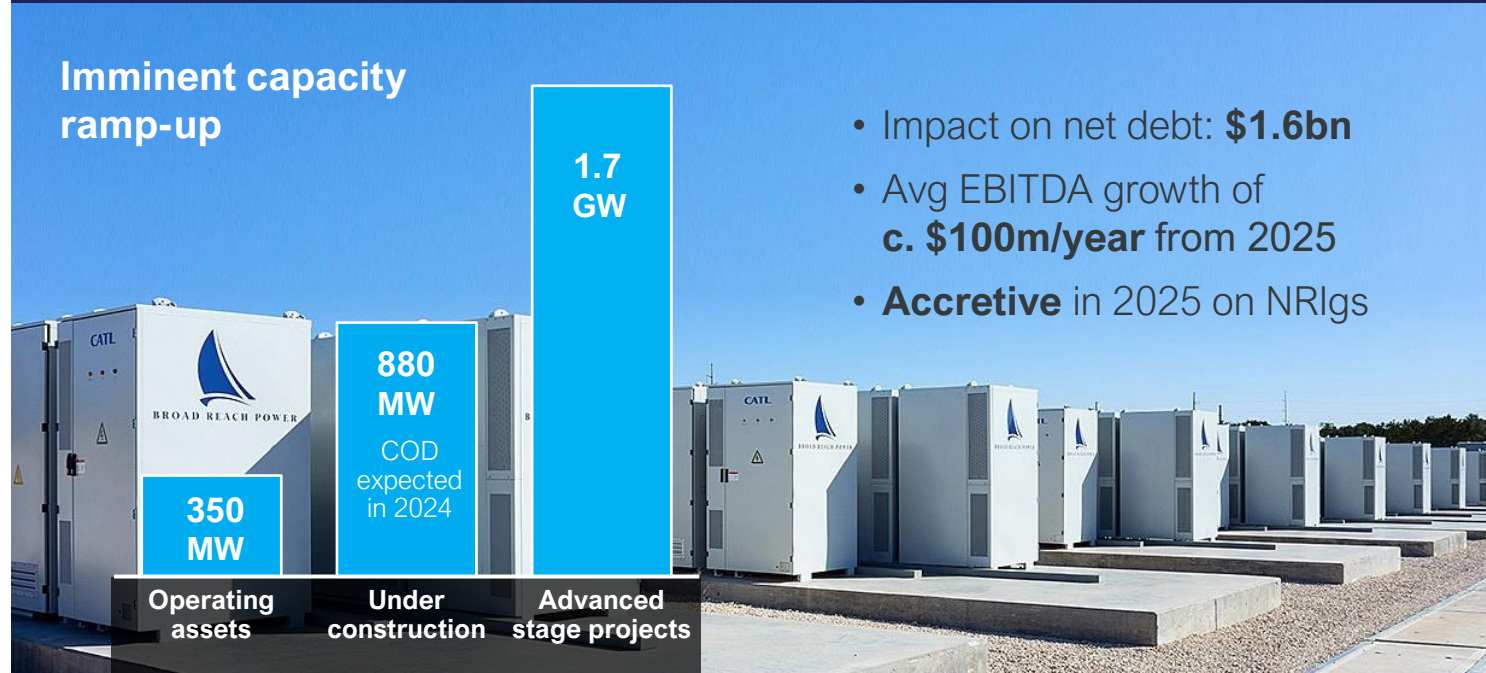
Karstädt-Waterloo
wind park (43 MW)

Steady expansion with strong focus on selectivity and financial discipline

ACQUISITION OF BROAD REACH POWER IN THE UNITED STATES

STANDALONE BATTERY COMPANY, DEVELOPING, BUILDING & OPERATING BESS

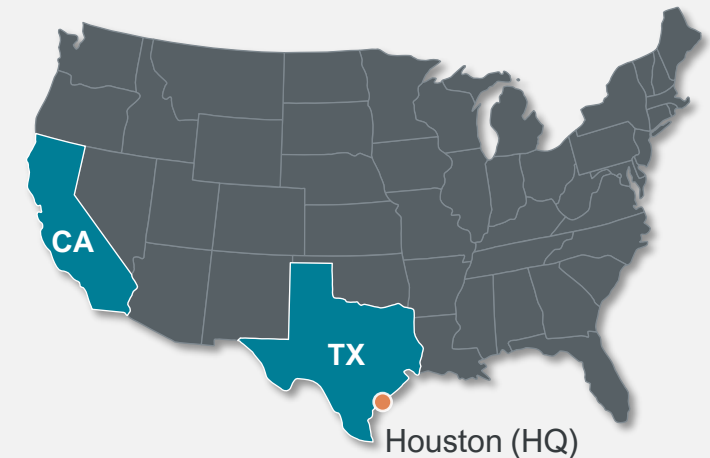
Early mover, with a large operating, under-construction & ready-to-build portfolio



- Impact on net debt: **\$1.6bn**
- Avg EBITDA growth of **c. \$100m/year** from 2025
- **Accretive** in 2025 on NRIs

Significant pipeline


in booming markets of **Texas** and **California**



Major step towards ENGIE's objective of reaching **10 GW of battery capacity by 2030**

PERFECT FIT WITH ENGIE'S INTEGRATED MODEL

Value captured through various streams on a standalone basis



Ancillary services

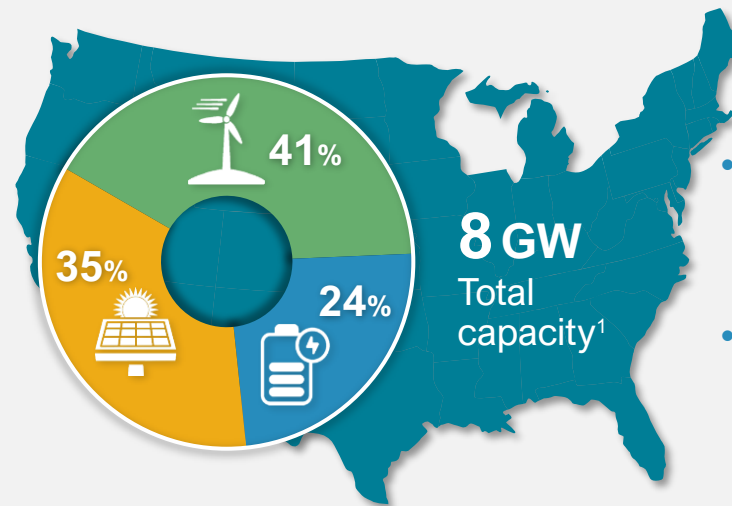
Energy arbitrage

Capacity contracts

Hedging strategy:
Objective to contract **50% of total yearly revenues**

RENEWABLES + BESS + GEMS = unique value creation potential

Split of ENGIE's Renewables and BESS capacity¹ in the US (post-acquisition)



- Mitigating the risks of intermittency of renewable production upstream
- Offering customers **bespoke** renewable energy downstream

Procurement synergies & asset optimization with Renewables

ENGIE's operational excellence to build and operate

Trading tools & Expertise

Integrated Model

¹ Assets in operation and under construction



9M 2023 FINANCIALS

**PIERRE-FRANÇOIS
RIOLACCI**

CFO

STRONG OPERATIONAL AND FINANCIAL PERFORMANCE DESPITE EXPECTED SLOWDOWN IN THE PACE OF GROWTH

EBIT ex. Nuclear
up **28% org.**

- EBITDA growth and working capital normalization leading to sound cash flow generation
- Healthy credit ratios

2023 guidance upgraded

9M RESULTS

€bn, unaudited figures¹

	Actual	Δ Gross	Δ Organic ²
EBITDA ex. Nuclear	11.1	+19%	+19%
EBIT ex. Nuclear	8.0	+27%	+28%
CFFO³	13.0	+4.6	-
Net Financial Debt	24.6	+0.5 ⁴	-
Economic Net Debt	41.9	+3.1 ⁴	-
Economic Net Debt / EBITDA	2.8x	- ⁴	

1. Unaudited figures throughout the presentation

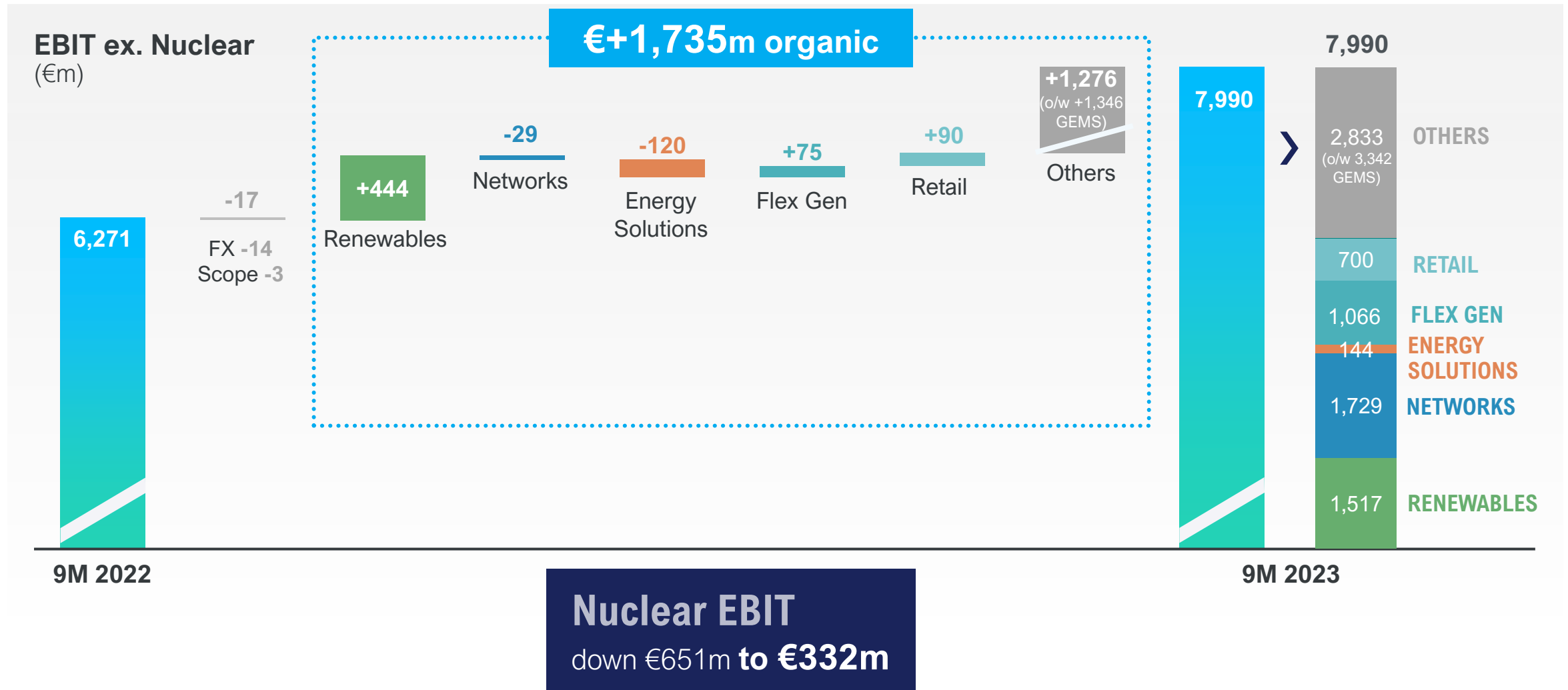
2. Organic variation = gross variation without scope and foreign exchange effect

3. Cash Flow From Operations = Free Cash Flow before Maintenance Capex and nuclear phase-out expenses

4. vs 31 December 2022

EBIT EX. NUCLEAR UP 28% ORGANICALLY

Strong organic growth mainly driven by GEMS and Renewables



FOCUS ON GEMS

**Strong 9M 2023 EBIT at
€3.3 bn**

in favourable market context in H1 mainly driven by:

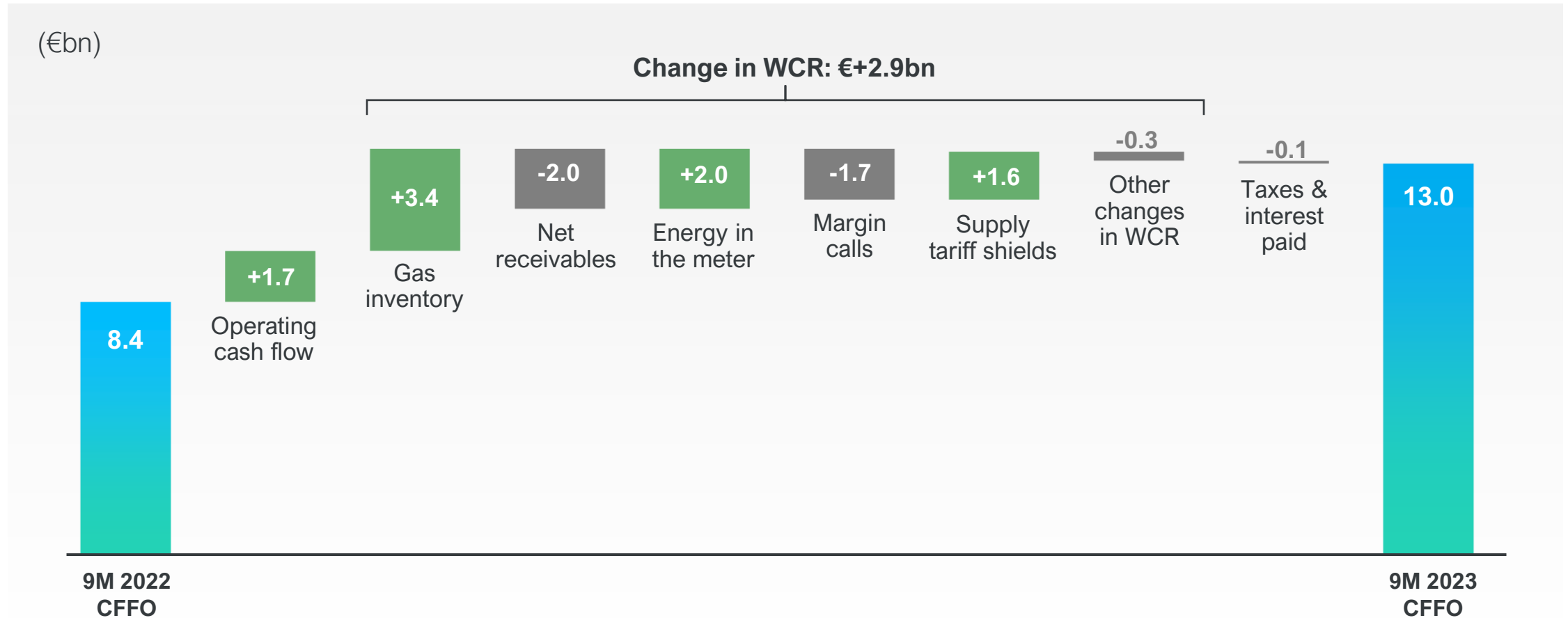
- Normalization of market conditions leading to net reversal of provisions
- High contribution of transactions locked in at end-2022 / early 2023 at a high peak
- Q3 in line with expectations – slowdown observed since summer, and intra-year seasonal timing effect on volumes

Key market drivers ¹ (€/MWh - month ahead)		9M 2021	9M 2022	6M 2023	9M 2023
Prices & Spreads	Power Germany	72	284	114	96
	Gas TTF	31	134	44	37
	France Clean Spark Spreads	(6)	86	2	(1)
Geographical spreads	Power DE-FR	3	61	9	5
	Gas TTF-TRF (Netherlands-France)	0.1	(4.2)	(1.8)	(1.7)
Volatility	Bid-Ask spread	0.1	0.5	0.1	0.1
	Gas intraday volatility (spread low-high)	1.9	17.4	4.0	3.5

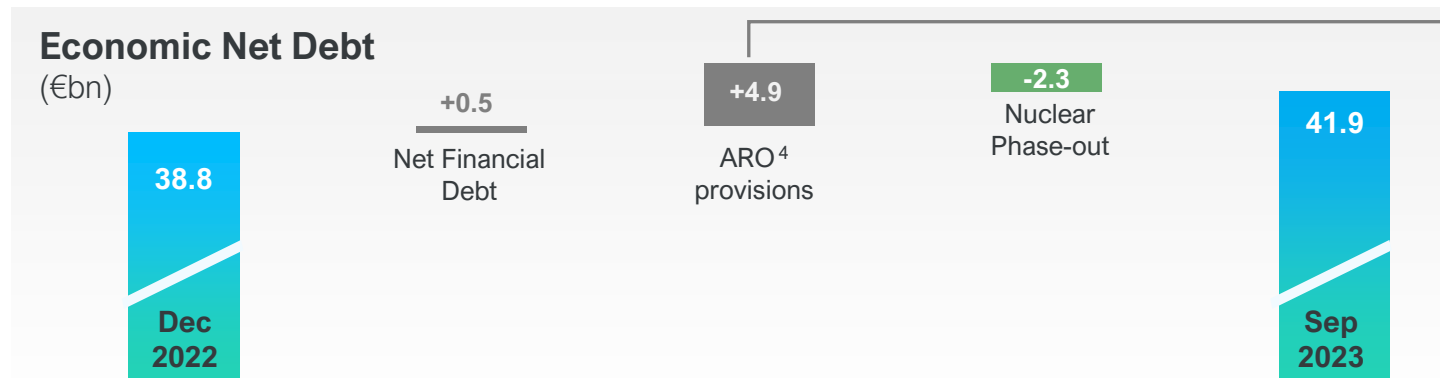
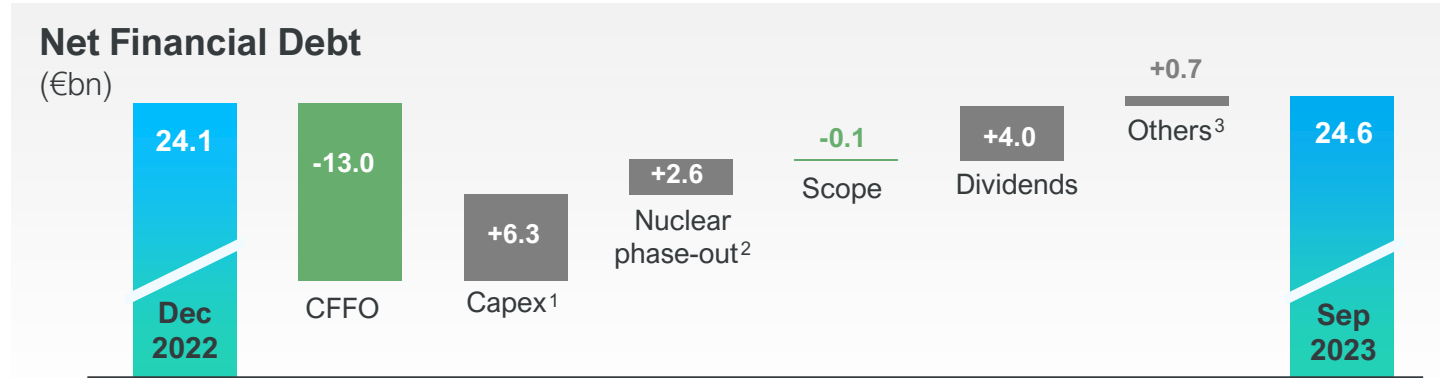
¹ Monthly average from January to September

CASH FLOW FROM OPERATIONS

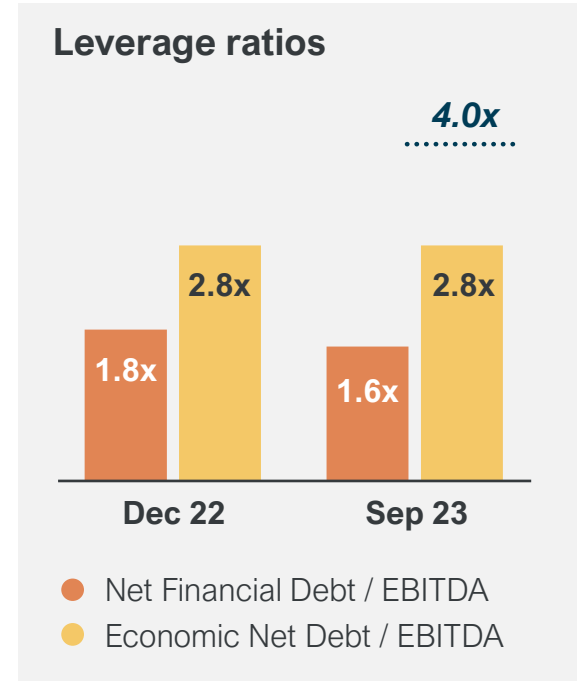
Strong cash generation driven by EBITDA growth, gas storage activity and commodity prices decrease



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



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



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 €0.3bn

3 Mainly new right-of-use and FX

4 Asset Retirement Obligations including dismantling, decommissioning, nuclear waste management, and other nuclear liabilities

FY 2023 GUIDANCE UPGRADED

EBITDA
ex. Nuclear indication
€13.4 – 14.4bn

EBIT
ex. Nuclear indication
€9.0 – 10.0bn

NRIs
guidance
€5.1 – 5.7bn

Rating

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

Dividend

65-75%
payout ratio based on NRIs
Floor of **€0.65**

Key assumptions¹

FX:

- **€/USD:** 1.08
- **€/BRL:** 5.46

Market commodity forward prices
as at 31 August 2023

Nuclear Belgium

c. 90% nuclear availability and
€0.1bn 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 earnings performance and guidance upgrade**

➤ **Record level of renewable capacity under construction**

➤ **Pivotal expansion move in battery storage**

➤ **Nuclear agreement on track**



An aerial photograph of a large industrial facility, possibly a power plant or data center, during a dramatic sunset. The sky is filled with vibrant orange and red clouds, with the sun low on the horizon. The facility consists of numerous rows of large, light-colored rectangular units, likely server racks or power equipment, arranged in neat lines. A central area contains more complex machinery and structures. The entire site is enclosed by a fence, and there are some vehicles and workers visible. The text "ADDITIONAL MATERIAL" is overlaid in large, white, bold letters, framed by a blue border.

ADDITIONAL MATERIAL

9M 2023 EBIT CHANGE BY ACTIVITY

Y/Y change (€m)	Gross	FX / Scope	Organic	Key drivers for organic change
RENEWABLES	+473	Various acquisitions	+444	<ul style="list-style-type: none"> ↗ Higher hydro prices in France, reversal of 2022 buybacks ↗ Higher hydro volumes in France and Portugal ↗ Commissioning of new capacity ↘ Higher hydro tax in France
NETWORKS	-35	Country exits	-29	<ul style="list-style-type: none"> ↗ Storage: favorable environment in the UK and Germany ↗ Full commissioning of transmission lines in Brazil ↘ GRDF: lower gas consumption in France ↘ Higher energy and staff costs
ENERGY SOLUTIONS	-119		-120	<ul style="list-style-type: none"> ↗ Operational performance & commercial development ↘ Cost overruns in the US ↘ Strikes in France
FLEX GEN	+50	Coal exit in Brazil USD / GBP depreciation	+75	<ul style="list-style-type: none"> ↗ Energy margin recovery in Chile ↗ Impact of 2022 Italian extraordinary tax not repeated ↗ Higher availability of European assets ↘ Lower spreads & ancillaries in Europe
RETAIL	+81		+90	<ul style="list-style-type: none"> ↗ Margin improvement in Europe ↗ Optimization of hedging portfolio ↗ Phasing effect ↘ Temperature in Europe: 2022 long position sold at higher prices & 2023 long gas position sold at lower prices
OTHERS	+1,270		+1,276	<ul style="list-style-type: none"> ↗ Normalization of market conditions leading to reversal of provisions ↗ High contribution of transactions locked in at end-2022 / early 2023 at a high peak
ENGIE ex. Nuclear	+1,719	-17	+1,735	
NUCLEAR	-651		-651	<ul style="list-style-type: none"> ↗ Better achieved prices ↗ Higher volumes in Belgium and France ↘ Effect of the inframarginal rent cap ↘ Decommissioning of 2 reactors ↘ Increase in D&A
ENGIE	+1,068	-17	+1,084	

EBIT BREAKDOWN

9M 2023 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	471	193	707	151	21	(27)	1,517
NETWORKS	1,117	10	613	(4)		(6)	1,729
ENERGY SOLUTIONS	183	102	(2)	(140)	33	(32)	144
FLEX GEN		561	159	34	334	(22)	1,066
RETAIL	560	90			68	(18)	700
OTHERS ¹		0	0	9	(0)	2,824	2,833
<i>o/w GEMS</i>						3,342	3,342
EBIT ex. NUCLEAR	2,332	957	1,477	50	457	2,719	7,990
NUCLEAR		332					332
9M 2022 (€m)	France	Rest of Europe	Latin America	Northern America	AMEA	Others	TOTAL
RENEWABLES	104	200	621	107	22	(10)	1,044
NETWORKS	1,269	14	487	(2)		(3)	1,765
ENERGY SOLUTIONS	189	58	(5)	1	39	(19)	263
FLEX GEN		672	19	33	307	(15)	1,016
RETAIL	507	92	6		25	(10)	620
OTHERS ¹		0	0	4	(0)	1,559	1,563
<i>o/w GEMS</i>						1,998	1,998
EBIT ex. NUCLEAR	2,068	1,035	1,129	143	393	1,502	6,271
NUCLEAR		984					984

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

GUIDANCE

2023 updated commodity forward prices assumptions

Main commodity forward prices¹

(31 August 2023)

Basis for the upgraded 2023 indications and guidance

(€/MWh - €/t)	2023 ¹
Power Base BE	113
Power Base FR	120
CSS Base / Peak NL	(4)/10
CSS Base / Peak BE	(3)/13
CSS Base / Peak FR	6/35
Gas TTF	41
CO ₂	86

Belgian contingencies:

€0.1bn

Main commodity forward prices

(31 May 2023)

Basis for the former 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

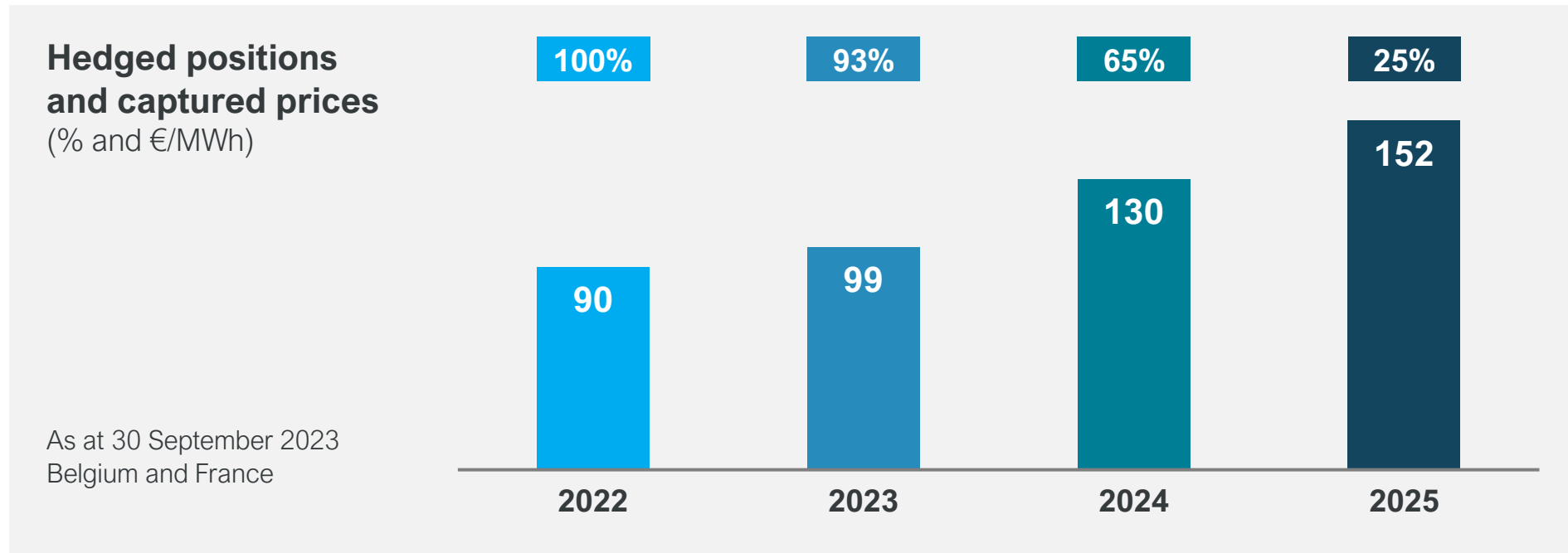
Belgian contingencies:

€0.2bn

¹ Relevant for 2023 unhedged volumes

OUTRIGHT POWER PRODUCTION IN EUROPE

Nuclear and Hydro



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

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FOR MORE INFORMATION ABOUT ENGIE

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