

## ENGIE EPS FY2020 RESULTS AND 2021 HIGHLIGHTS

- **For ENGIE EPS 2020 has been an extraordinary year.** Despite global restrictions for Covid-19 and related delays in project development and execution, which impacted FY2020 revenues, down 45%, Giga Storage and Industrial Solutions set a clear trajectory towards a strong rebound in 2021 and the achievement of 2022 targets:
  - Backlog and contracts secured reached \$173 million<sup>[1]</sup> with over 700MWh of energy storage and microgrid projects mainly in USA and Europe
  - Pipeline increased by 46% to over €1 billion, almost exclusively outside the ENGIE Group
  - Industrial plant in Cosio Valtellino expanded to secure 2.5 GWh a year of capacity
- **Joint Venture with Stellantis is progressing and eMobility business is proceeding faster than expected:**
  - all antitrust and government's clearances already obtained, governance and brand name to be announced shortly and JV transaction closing expected in April 2021, meanwhile
  - ENGIE EPS doubled production capacity for residential charging solutions, from 500 easyWallbox per week achieved in 2020, to 1,000/week starting from March 2021, and is planning the scale up to 1,500/week by May 2021
  - product launch roadmap has been compressed, with first deliveries for new public and business charging solutions (easyPublic and eProWallbox) expected in Q3 2021
- ENGIE EPS is actively supporting ENGIE's strategic review announced in September 2020, which is progressing and on which ENGIE will communicate in due course

### 2020 KEY FIGURES

**Revenues** and Other Income amount to €11.1 million as of 31 December 2020, with a decrease of 45% compared to the previous year, mainly as a consequence of the global restrictions for Covid-19 and the related strong delays in both project development and execution. Construction schedules were also affected by Covid-19 related logistic restrictions, but nonetheless ENGIE EPS has been able to (i) complete the construction of the Sol De Insurgentes solar-plus-storage project in Mexico, currently in test run, and (ii) achieve the commercial operation of the Agkistro hydrogen system in Greece, the storage system for the Leini 400 MW thermal power plant and the microgrids in California and Comoros.

In contrast to the decrease in revenues, as of 30 March 2021, **Backlog** and **Contracts Secured** sum up to \$173 million<sup>[1]</sup> and 700 MWh in US, Europe and Africa. More precisely:

- Backlog amounts to \$39 million (or €33 million<sup>[2]</sup>, up 12% compared to 2019) with over 50 MWh under construction or development in California, Massachusetts, Comoros and Italy.
- Contracts secured amounts to \$133 million (or €112 million<sup>[2]</sup>) thanks to the c. 650 MWh of projects secured in Guam, New England and Hawaii.

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<sup>[1]</sup> Backlog and Secured Contracts are expressed in USD as 79.9% is US dollar denominated. Residual 20.1% Euro denominated has been converted to US dollars at 1.19 USD/EUR exchange rate.

<sup>[2]</sup> At 1.19 USD/EUR exchange rate.

**Pipeline** increased by 46% in the same period, reaching €1,004 million. A rapid market acceleration has been experienced across several key geographies, and particularly in North America, Europe and Australia, with an increasing flow of requests for proposals received from existing and potential clients.

More importantly, it has to be noted that approx. 50% of the €686 million Pipeline announced with FY2019 results was represented by projects under development with ENGIE in US and Europe, one third of which has eventually converted into the current Backlog and Contracts Secured.

In other words, the gross addition to the Pipeline has been of over €600 million, almost exclusively outside the ENGIE Group.

Gross margin increased at 34.7% for 2020, compared to 26.5% in 2019, essentially because of the difference in mix of Stationary Storage and eMobility contracts and revenue recognition related to work-in-progress.

Personnel costs increased by 17% reaching €7.8 million compared to €6.7 million in 2019. The increased strength in the workforce is in line with the execution of the Long Term Strategic Plan and more importantly in line with the new ambitions with the Joint Venture with Stellantis (“**JV**”) and the execution of our target of over 700 MWh under development over the next 2 years.

As of today, ENGIE EPS can count on a workforce of 136 people from 18 nationalities.

R&D investments amounted to €3.3 million, including expenses and capitalized amounts, with an increase of around 7% compared to last year, in line with the R&D investments over the last 5 years. The R&D investments planned under the 2023 Technology Roadmap announced on 18 February 2021 should increase to c. €25 million over the next three years also thanks to the investments planned in the context of the JV.

Other Operating Expenses increased by 27% amounting to €2.9 million, compared to €2.3 million in 2019. This is mainly due to the expansion of the ENGIE EPS structure necessary to support the growth, in line with the execution of the Long Term Strategic Plan, our target of over 700 MWh under development over the next 2 years and the new ambitions with the JV.

EBITDA represents a loss of €8.4 million in 2020 compared to a €5.7 million loss in 2019 and Net Result as of 31 December 2020 in line with 2019, from €-14.6 million to €-14.8 million.

Net Financial Position at the end of 2020 decreased to €-21.3 million compared to €-8.1 million on 31 December 2019. In addition, ENGIE EPS obtained an incremental €10 million facility from Société Générale in order to fund the 2021-2022 working capital needs, R&D and capex investments.

## **2021 HIGHLIGHTS**

As a consequence of the strategic review and potential divestment announced by ENGIE on 23 September 2020, ENGIE EPS restructured its project development and positioning strategy, which was naturally oriented towards the geographic focus and project development activities of the Business Units of ENGIE. This repositioning has been successfully carried out riding on the explosive growth of the energy storage and electric mobility markets over the last few months.

More precisely, when ENGIE announced its strategic review and potential divestment on 23 September 2020, the Pipeline stood at €806 million, with a strong majority of our projects under development with ENGIE and just 2% of it represented by eMobility. As of today, the Pipeline stands at over €1 billion, with a

strong majority of our projects outside of the ENGIE Group and eMobility representing 21% thanks to the JV.

- **Giga Storage and Industrial Solutions**, the stationary storage Product Lines:

Despite the impact of Covid-19 on project development activities – in particular with respect to planning permission processes, logistics and supply chains, substantial progress has been made on the positioning in the core US, Europe, and Asia Pacific markets.

Execution of the newly awarded projects in Massachusetts and California is proceeding steadily, while notice to proceed on the Fast Reserve contracts in Italy is expected within the next few months and the final development activities on the US secured project portfolio are ongoing (including planning permissions, as well as the legal proceedings in Guam, strongly delayed by Covid-19).

As a consequence of our target of over 700 MWh of projects under development to be delivered in the next 2 years, ENGIE EPS' industrial plant in Cosio Valtellino has been extended to an area of c. 7,000 square meters securing 2.5 GWh a year of capacity, in line with the 2022 and 2025 targets.

- **eMobility** Product Line:

The transaction to create the Joint Venture with Stellantis has been proceeding positively after the signing of the full set of agreements announced on 26 January 2021. Having obtained the Golden Power approval by the Italian Government and all antitrust clearances, Stellantis and Engie EPS will release shortly the composition of the Board of Directors and the brand name of the new entity, while the transaction closing and the related announcement are expected by the end of April.

Meanwhile, as a consequence of the market demand, ENGIE EPS doubled the production capacity for residential charging solutions, from 500 easyWallbox per week achieved in 2020 to 1,000/week starting from March 2021. In addition, ENGIE EPS is already planning a further scale up to 1,500 easyWallbox a week by May 2021.

New eMobility products under development have been presented during the Technology Revolution Day held on 18 February 2021, and the interest raised in the market forced ENGIE EPS to compress the product launch roadmap originally planned by end 2021. More precisely, first deliveries of easyPublic and eProWallbox, the new products for public charging, fleets and businesses, are already planned for the third quarter 2021.

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The investor conference call is scheduled on 31 March 2021 at 8:00am, dial-in and the presentation will be available on ENGIE EPS' corporate website: [engie-eps.com/events](https://engie-eps.com/events)

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## ENGIE EPS

Engie EPS is the technology and industrial player within the ENGIE group, developing technologies to revolutionize the paradigm in the global energy system towards renewable energy sources and electric mobility. Listed on Euronext Paris regulated market (EPS.PA), Engie EPS forms part of the CAC® Mid & Small and CAC® All-Tradable financial indices. Its registered office is in Paris, with research, development and production located in Italy.

For further information, go to [www.engie-eps.com](https://www.engie-eps.com)



## ENGIE

Our group is a global reference in low-carbon energy and services. Together with our 170,000 employees, our customers, partners and stakeholders, we are committed to accelerate the transition towards a carbon-neutral world, through reduced energy consumption and more environmentally-friendly solutions. Inspired by our purpose (“raison d’être”), we reconcile economic performance with a positive impact on people and the planet, building on our key businesses (gas, renewable energy, services) to offer competitive solutions to our customers. Turnover in 2020: 55.8 billion Euros. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe) and non-financial indices (DJSI World, DJSI Europe, Euronext Vigeo Eiris - Eurozone 120/ Europe 120/ France 20, MSCI EMU ESG, MSCI Europe ESG, Euro Stoxx 50 ESG, Stoxx Europe 600 ESG, and Stoxx Global 1800 ESG).

### Forward looking statement

This release may contain forward-looking statements. These statements are not undertakings as to the future performance of ENGIE EPS. Although ENGIE EPS considers that such statements are based on reasonable expectations and assumptions at the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual performance to differ from those indicated or implied in such statements. These risks and uncertainties include without limitation those explained or identified in the public documents filed by ENGIE EPS with the French Financial Markets Authority (AMF), including those listed in the “Risk Factors” section of the ENGIE EPS Universal Registration Document filed with the AMF on 30 April 2020 (under number D.20-0439). Investors and ENGIE EPS shareholders should note that if some or all of these risks are realized they may have a significant unfavorable impact on ENGIE EPS.

These forward looking statements can be identified by the use of forward looking terminology, including the verbs or terms “anticipates”, “believes”, “estimates”, “expects”, “intends”, “may”, “plans”, “build- up”, “under discussion” or “potential customer”, “should” or “will”, “projects”, “backlog” or “pipeline” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and that are to different degrees, uncertain, such as statements about the impacts of the Covid-19 pandemic on ENGIE EPS’ business operations, financial results and financial position and on the world economy. They appear throughout this announcement and include, but are not limited to, statements regarding the ENGIE EPS’ intentions, beliefs or current expectations concerning, among other things, the ENGIE EPS’ results of business development, operations, financial position, prospects, financing strategies, expectations for product design and development, regulatory applications and approvals, reimbursement arrangements, costs of sales and market penetration. Important factors that could affect performance and cause results to differ materially from management’s expectations or could affect the ENGIE EPS’ ability to achieve its strategic goals, include the uncertainties relating to the impact of Covid-19 on ENGIE EPS’ business, operations and employees. In addition, even if the ENGIE EPS’ results of operations, financial position and growth, and the development of the markets and the industry in which ENGIE EPS operates, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. The forward-looking statements herein speak only at the date of this announcement. ENGIE EPS does not have the obligation and undertakes no obligation to update or revise any of the forward-looking statements.

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## 1.1 Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT (amounts in Euro)	31/12/2020	31/12/2019
Revenues	10.798.205	19.684.041
Other Income	253.596	520.770
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>11.051.801</b>	<b>20.204.810</b>
Cost of goods sold	(7.221.152)	(14.857.163)
<b>GROSS MARGIN FROM SALES</b>	<b>3.830.649</b>	<b>5.347.647</b>
% on Revenues and other income	34,7%	26,5%
Personnel costs	(7.774.565)	(6.667.126)
Other operating expenses	(2.937.171)	(2.316.539)
Other costs for R&D and industrial operations	(1.543.425)	(2.094.303)
<b>EBITDA excluding Stock Option and Incentive Plans expenses <sup>(1)</sup></b>	<b>(8.424.511)</b>	<b>(5.730.321)</b>
Amortization and depreciation	(3.325.887)	(2.985.304)
Impairment and write down	(1.509.491)	(3.592.049)
Non recurring income and expenses and Integration costs	(569.535)	(1.573.472)
Stock options and Incentive plans	(824.790)	(1.206.490)
<b>EBIT</b>	<b>(14.654.215)</b>	<b>(15.087.635)</b>
Net financial income and expenses	(90.791)	(312.219)
Income Taxes	(69.540)	755.570
<b>NET INCOME (LOSS)</b>	<b>(14.814.545)</b>	<b>(14.644.285)</b>
<b>Attributable to:</b>		
Equity holders of the parent company	(14.814.545)	(14.644.285)
Non-controlling interests	0	0
<b>Basic earnings per share</b>	<b>(1,16)</b>	<b>(1,15)</b>
Weighted average number of ordinary shares outstanding	12.766.860	12.766.860
<b>Diluted earnings per share</b>	<b>(1,16)</b>	<b>(1,15)</b>

<sup>(1)</sup> EBITDA excluding Stock Option and Incentive Plans expenses is not defined by IFRS. It is defined in notes 3.8 and 4.6 of Consolidated Financial Statement.

## 1.2 Consolidated Statement of Other Comprehensive Income

OTHER COMPREHENSIVE INCOME (amounts in Euro)	31/12/2020	31/12/2019
NET INCOME (LOSS)	(14.814.545)	(14.644.285)
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</i>	0	0
Exchange differences on translation of foreign operations and other differences	0	(4.517)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)	(1.323)	0
Actuarial gain and (losses) on employee benefits	(193.087)	(123.021)
Other comprehensive income (loss) for the year, net of tax	(194.410)	(127.538)
Total comprehensive income for the year, net of tax	(15.008.955)	(14.771.823)
<b>Attributable to Equity holders of the parent company</b>	<b>(15.008.955)</b>	<b>(14.771.823)</b>

### 1.3 Consolidated Balance Sheet

ASSETS (amounts in Euro)	31/12/2020	31/12/2019
Property, plant and equipment	2.521.277	3.097.589
Intangible assets	9.272.391	6.979.216
Investments in entities accounted using the equity method	9.445	996
Other non current financial assets	190.346	143.346
Other non current assets	0	0
<b>TOTAL NON CURRENT ASSETS</b>	<b>11.993.458</b>	<b>10.221.147</b>
Trade and other receivables	11.639.388	9.928.244
Contract assets	1.068.083	9.148.945
Inventories	1.988.444	2.985.948
Other current assets	2.502.356	4.680.548
Current financial assets	467.500	428.201
Cash and cash equivalent	3.930.868	6.431.376
<b>TOTAL CURRENT ASSETS</b>	<b>21.596.638</b>	<b>33.603.262</b>
<b>TOTAL ASSETS</b>	<b>33.590.096</b>	<b>43.824.409</b>
<b>EQUITY AND LIABILITIES (amounts in Euro)</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
Issued capital	2.553.372	2.553.372
Share premium	48.147.696	48.147.696
Other Reserves	4.399.167	4.586.787
Retained Earnings	(52.139.663)	(38.306.765)
Profit (Loss) for the period	(14.814.546)	(14.644.285)
<b>TOTAL EQUITY</b>	<b>(11.853.975)</b>	<b>2.336.804</b>
Severance indemnity reserve and Employees' benefits	4.925.948	4.825.619
Non current financial liabilities	24.237.071	13.254.905
Other non current liabilities	1.903.628	1.631.591
Non current deferred tax liabilities	16.494	16.494
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>31.083.141</b>	<b>19.728.609</b>
Trade payables	6.887.267	15.962.964
Other current liabilities	6.505.062	4.518.758
Current financial liabilities	968.600	1.277.274
Income tax payable	0	0
<b>TOTAL CURRENT LIABILITIES</b>	<b>14.360.929</b>	<b>21.758.996</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>33.590.095</b>	<b>43.824.409</b>

## 1.4 Consolidated Statement of Changes in Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (amounts in Euro)	Share Capital	Premium Reserve	Stock Option and Warrants plan reserve	Other Reserves	Retained Earnings (Losses)	Profit (Loss) for the period	Total Equity before European Investment Bank variation (IFRS 2)	Revaluation of European Investment Bank warrants liabilities (IFRS 2) and other impacts of EIB loan prepayment	TOTAL EQUITY
<b>Net Equity as of 31 December 2018</b>	2.553.372	48.843.750	5.151.122	(218.938)	(30.296.289)	(12.511.771)	13.521.245	3.777.134	17.298.379
Previous year result allocation				(27.704)	(8.706.934)	12.511.771	3.777.134	(3.777.134)	-
Stock option and warrants			(181.831)				(181.831)		(181.831)
Shareholder's capital increase							-		-
Other movements		(696.054)		(12.841)	700.882		(8.013)		(8.013)
Loss for the period						(14.644.285)	(14.644.285)		(14.644.285)
Total comprehensive income	-	-	-	(123.021)	(4.517)	-	(127.538)	-	(127.538)
<b>Net Equity as of 31 December 2019</b>	2.553.372	48.147.696	4.969.291	(382.504)	(38.306.765)	(14.644.285)	2.336.804	-	2.336.804
Previous year result allocation					(14.644.285)	14.644.285	-		-
Opening reclassification 01/01/2020				6.790	(6.790)				-
Stock option and warrants							-		-
Shareholder's capital increase							-		-
Other movements					818.178		818.178		818.178
Loss for the period						(14.814.545)	(14.814.545)		(14.814.545)
Total comprehensive income	-	-	-	(194.410)	-	-	(194.410)	-	(194.410)
<b>Net Equity as of 31 December 2020</b>	2.553.372	48.147.696	4.969.291	(570.125)	(52.139.663)	(14.814.546)	(11.853.975)	-	(11.853.975)

## 1.5 Consolidated Statement of Cash Flows

CASH FLOW STATEMENT (amounts in Euro)	31/12/2020	31/12/2019
Net Income or Loss	(14.814.545)	(14.644.285)
Amortisation and depreciation	3.325.887	2.985.304
Impairment and write down	1.509.491	3.592.049
Stock option and incentive plans impact	824.790	1.206.489
Defined Benefit Plan	100.328	599.379
Non-cash variation in bank debts	0	528.048
<b>Working capital adjustments</b>		
Decrease (increase) in tax assets	(296.234)	221
Decrease (increase) in trade and other receivables and prepayments	8.461.612	(13.689.123)
Decrease (increase) in inventories	997.504	66.905
Increase (decrease) in trade and other payables	(8.598.884)	6.925.288
Increase (decrease) in SARs Liability	0	0
Increase (decrease) in non current assets and liabilities	(459.378)	107.590
<b>Net cash flows from operating activities</b>	<b>(8.949.428)</b>	<b>(12.322.135)</b>
<b>Investments</b>		
Net Decrease (Increase) in intangible assets	(4.528.996)	433.625
Net Decrease (Increase) in tangible assets	(208.837)	(276.528)
Net Decrease (Increase) due to IFRS 16 FTA	(53.207)	(2.175.922)
Reversal of IFRS 15 FTA	818.178	
<b>Net cash flows from investments activities</b>	<b>(3.972.862)</b>	<b>(2.018.826)</b>
<b>Financing</b>		
Increase (decrease) in bank debts	10.673.494	9.953.268
IFRS 16 Impact	(251.711)	(41.460)
<b>Net cash flows from financing activities</b>	<b>10.421.783</b>	<b>9.911.808</b>
Net cash and cash equivalent at the beginning of the period	6.431.375	10.860.527
<b>NET CASH FLOW FOR THE PERIOD</b>	<b>(2.500.507)</b>	<b>(4.429.153)</b>
<b>NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>3.930.868</b>	<b>6.431.375</b>