



ENGIE ENERGÍA PERÚ S.A.

Investors Presentation

Results 2Q 2020



ÍNDICE
DE BUEN GOBIERNO
CORPORATIVO

cfi. 2017
co

MEJOR
GENERADORA DE
ENERGÍA ESG

cfi. 2016
co

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GENERADORA DE
ENERGÍA ESG



PREMIO
NACIONAL
Antonio Brack Egg

COVID-19 Pandemic: Measures

Maintaining Energy Production whilst social distancing

As the pandemic was growing in Europe in January/February, an ENGIE COVID crisis management team started working on a plan in case the virus arrived in Peru. By mid February, the plan was ready.

Reduced personnel operating in plants and offices was around 12% during mandatory isolation and no more than 30% during the reactivation phases. We are proud we have been able to maintain our commitment to supply energy to the country throughout the pandemic.

Last year we started doing a one-day per week home office for our administrative employees and we have been working for some time on digitalization of our processes. Even though it has been a challenge for everybody to adapt to the new circumstances since March 16th, we have not failed in any of our different processes. We thank all ENGIE collaborators for giving the extra mile during these challenging times.



COVID-19 Pandemic: Measures

Support to Local Communities

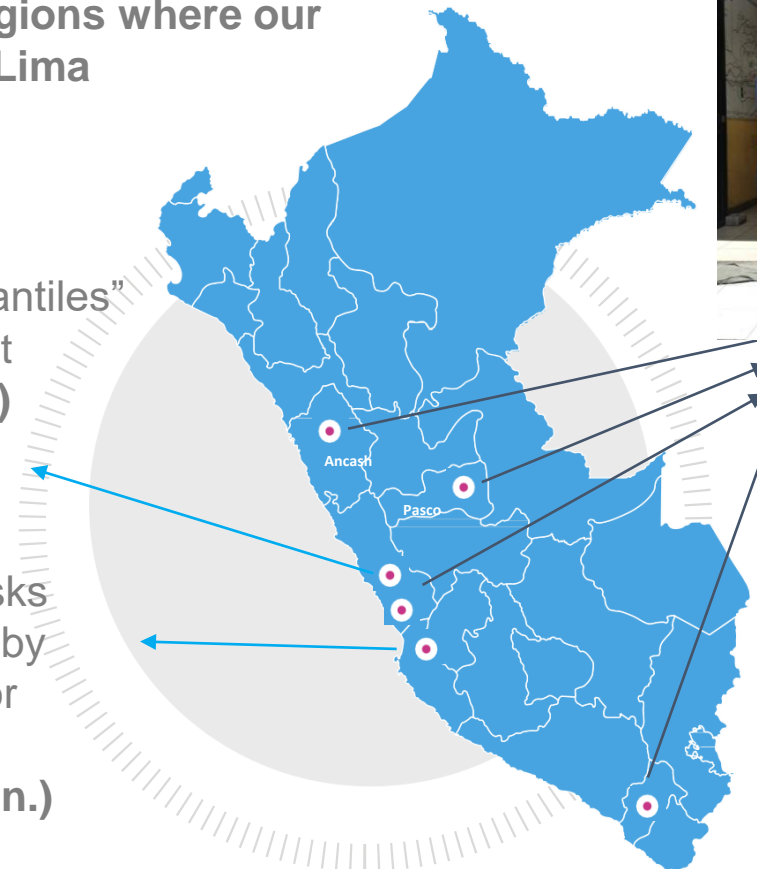
We have been focusing in the regions where our power plants are located and in Lima (headquarters)



Lima
“Aldeas Infantiles”
Cleaning Kit
(5,000 Kits)



Chilca
Face masks
prepared by
women for
donation
(20,000 un.)

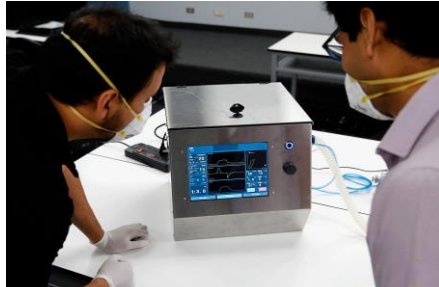


Chilca (Lima)
Ilo (Moquegua)
Yuncán (Pasco)
Quita (Ancash)
Lomitas (Ica)

Venues and projects
20 Tons of food; **55,000**
health protection items such
as: face masks, hazard suits
and cleaning supplies.

COVID-19 Pandemic: Measures

Support to National efforts



ENGIE joins the production of MASI mechanical ventilators developed by PUCP

As part of its actions to combat COVID-19 in Latin America, ENGIE joined the #MASI project in Peru to reduce the deficit of mechanical ventilators with a donation to the Ministry of Health (MINSA).



ENGIE contributes 2MUSD to fight against COVID-19 in Latin America

The contribution will be focused on three essential actions: acquisition of medical equipment and material; free services from its portfolio of prevention and protection solutions; and voluntary contributions from its executives and collaborators that the company will match.



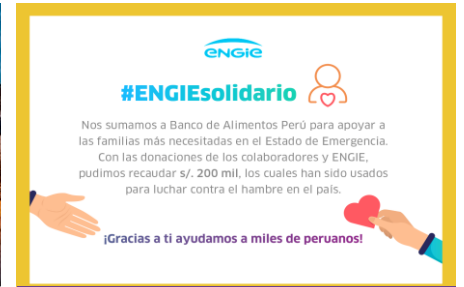
ENGIE joins the digital manufacture of face protection masks from ESAN University

ENGIE provides financial support for digital manufacturing and the donation of 3,000 face protection masks for hospitals in Lima and Callao. This joint effort, led by ESAN University, seeks to contribute to the protection of the medical team against COVID-19.



ENGIE accelerates the transformation of our clients

Offering solutions to our clients to maintain operational continuity in times of COVID-19, with secured work environments in order to protect the safety and health of their workers, suppliers and visitors.



ENGIE and its collaborators raised a Solidarity Fund in Perú which was donated to Banco de Alimentos

An internal campaign was carried out for collaborators to provide voluntary contribution. S/ 100,000 was raised and ENGIE Energía Peru equaled the total amount collected (1 + 1 model), making a total of S/ 200,000 as a result of the joint effort. The total was donated to Banco de Alimentos.

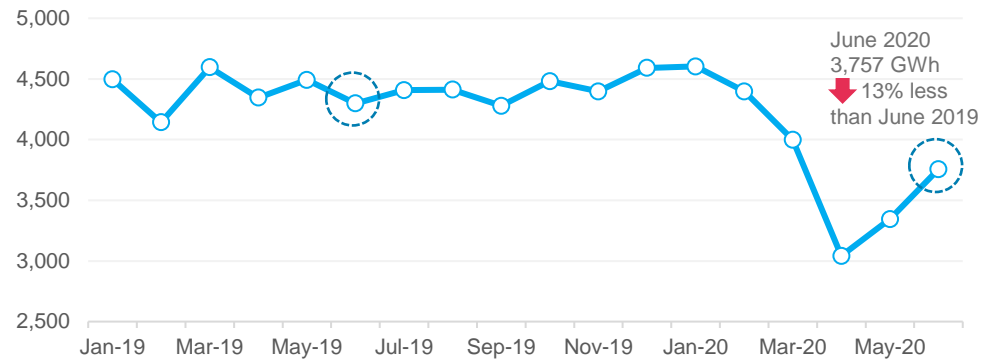


KEY MESSAGES

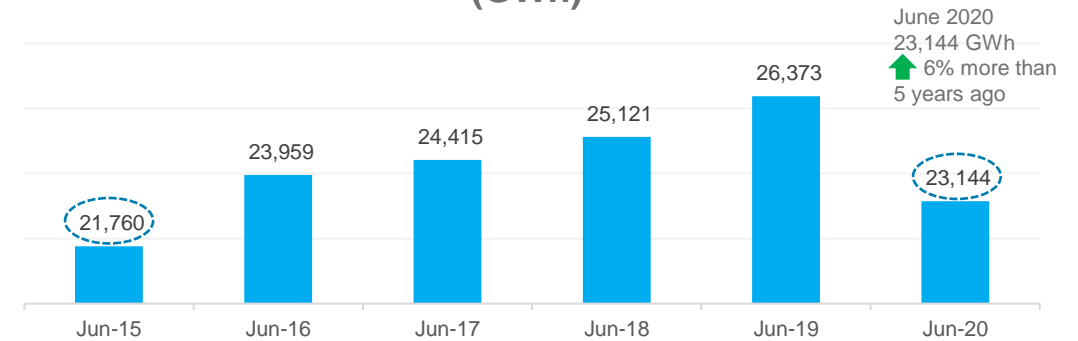
ENERGY GENERATION MARKET IN PERU (1/2)

Main impacts due to COVID-19: Medium to long-term overview

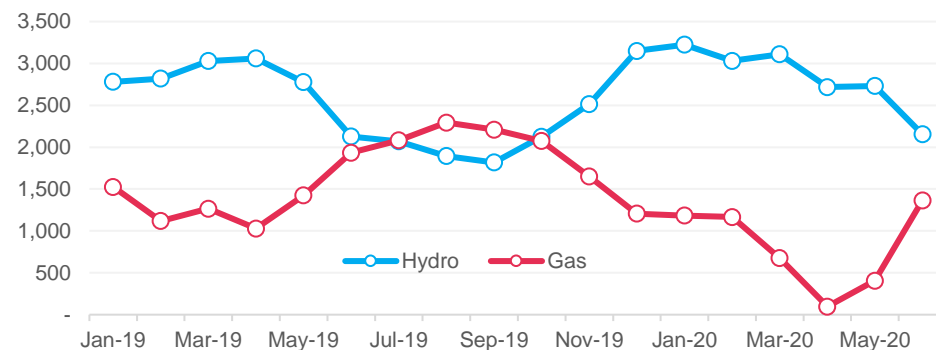
Monthly Production (GWh)



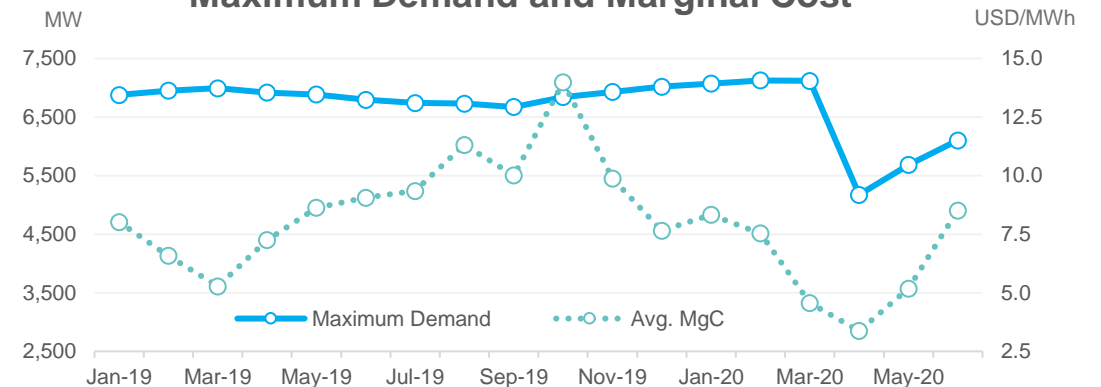
First 6 months accumulated generation (GWh)



Monthly Production by Source (GWh)



Maximum Demand and Marginal Cost

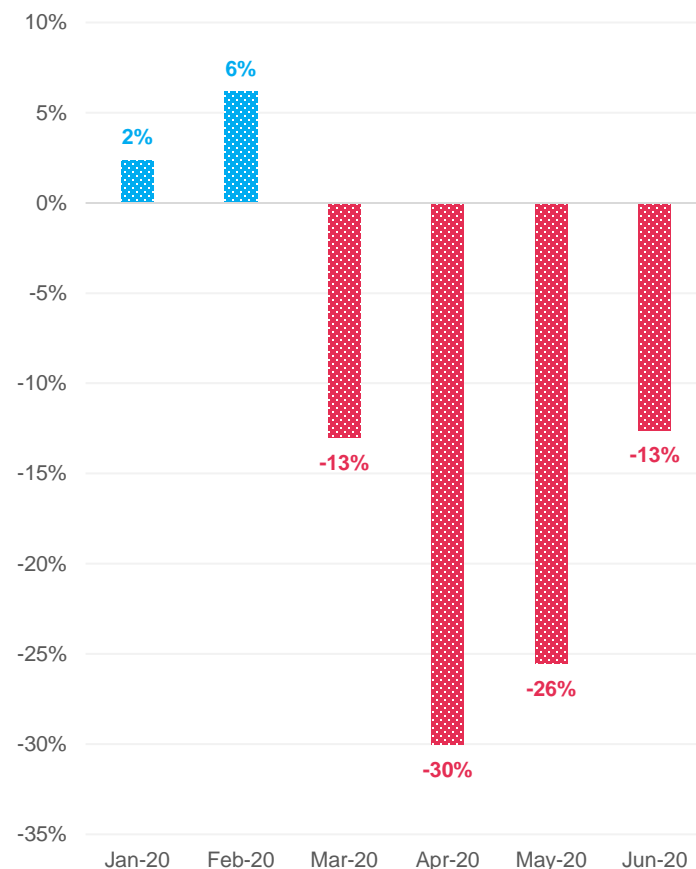


Source: COES / elaborated by ENGIE

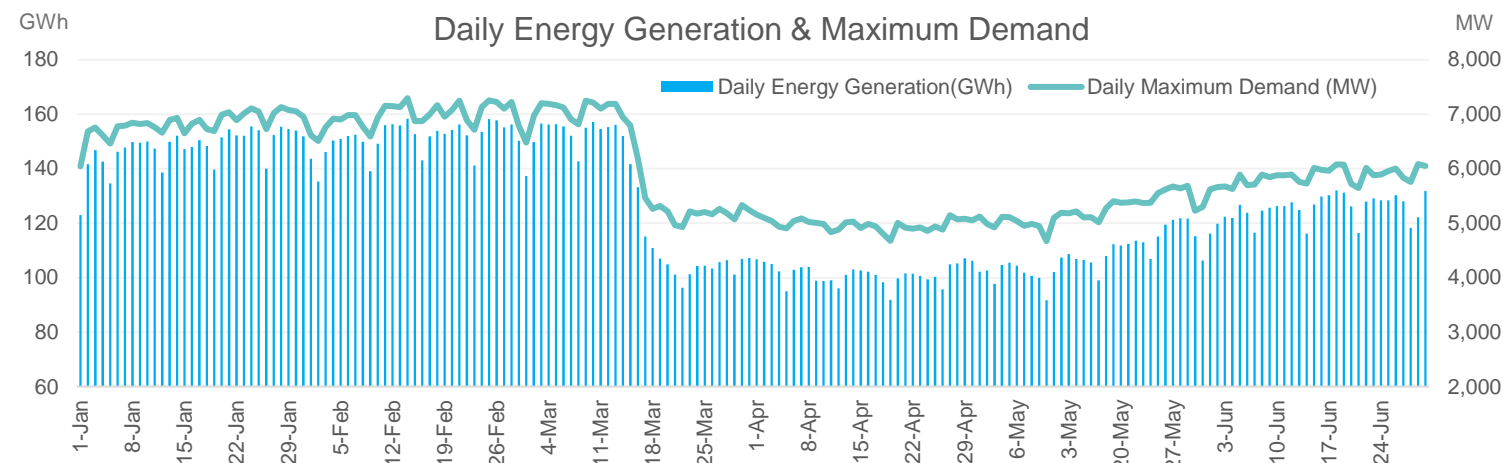
ENERGY GENERATION MARKET IN PERU (2/2)

Main impacts due to COVID-19: Short term overview

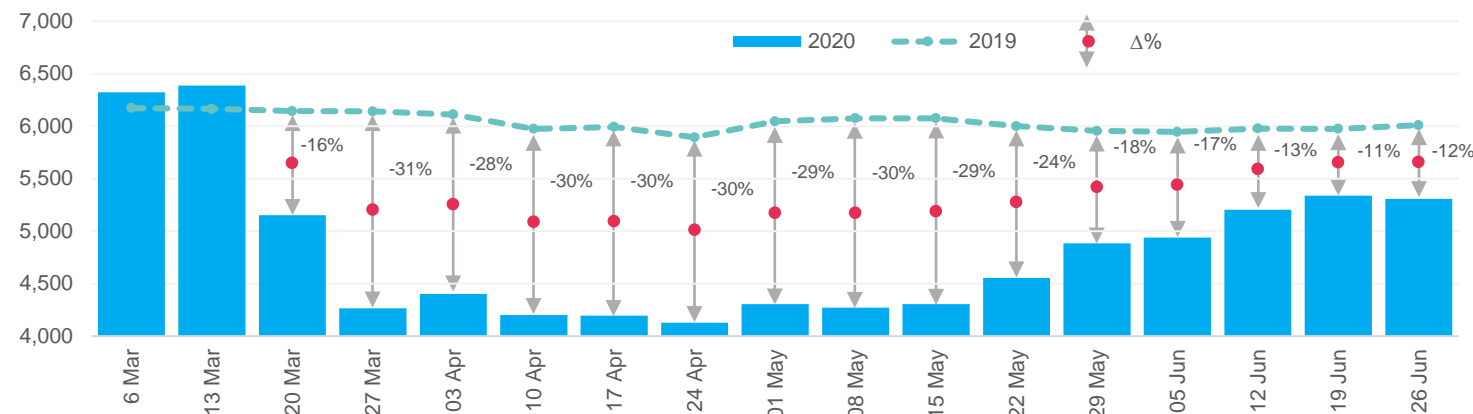
Electricity demand growth compared to 2019 (MoM)



Source: COES / elaborated by ENGIE



Evolution of weekly demand average (MW)



2Q 2020 HIGHLIGHTS

Main impacts due to COVID-19



The market

- Total energy generation (SEIN) decreased 12.2% in 1H 2020 compared to 1H 2019. As of June, EEP maintained a leading position in the sector, accounting for 19.7% of the total capacity and 11.3% of the total energy generation of the system.
- Number of free clients in 1H 2020 increased by 20.8%, to a total of 87 free clients compared to 1H 2019.
- 146MW of new contracts and extensions of existing contracts signed as of June 2020.



Financial results

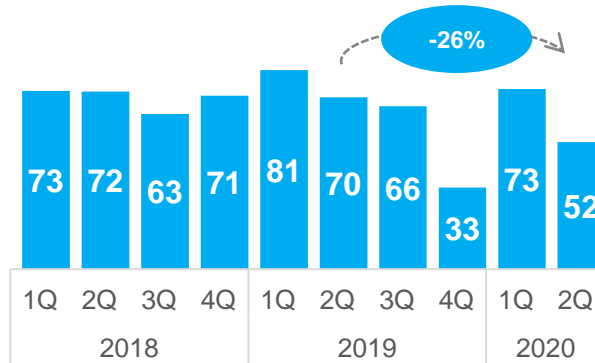
- 1H 2020 EBITDA reached 125.0MUSD, a 17% decrease compared to 1H 2019, mainly due to COVID-19 effect and non-recurrent events in 2019 (14% decrease without those events), whilst Net Result reached 50.5MUSD, a 23% decrease compared to 1H 2019 (19% decrease without non-recurrent).
- 2Q 2020 EBITDA reached 51.7MUSD, a 26% decrease compared to 2Q 2019, mainly due to COVID-19 effect whilst Net Result reached 19.0MUSD a 36% decrease compared to 2Q 2019
- Financial debt decreased to 548MUSD, a reduction of 10% versus December 2019. We have continued with the amortization calendar of our financial debt and we have not incurred in new debt during this semester.
- Total Net Debt⁽¹⁾ / EBITDA (FY): 1.9x @ Jun/2020.

(1) Total Net Debt = Financial Debt + IFRS16 - Cash

MAIN FINANCIAL RESULTS 2Q 2020

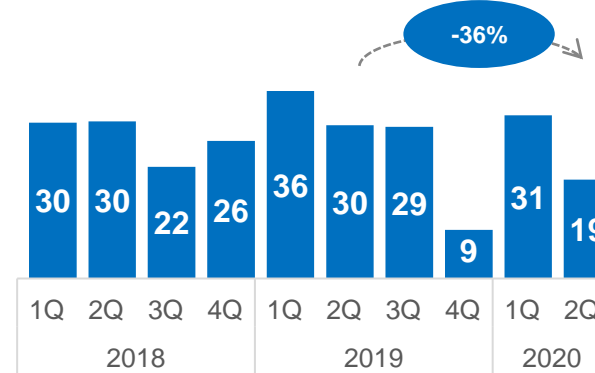
EBITDA 2Q

MUSD



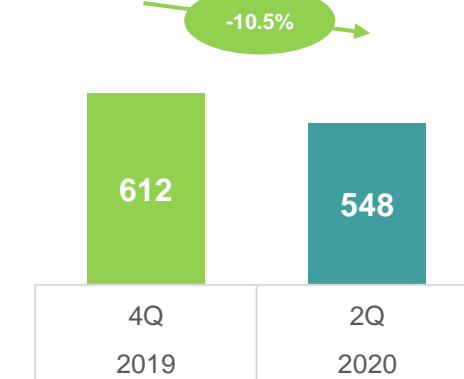
Net Result 2Q

MUSD



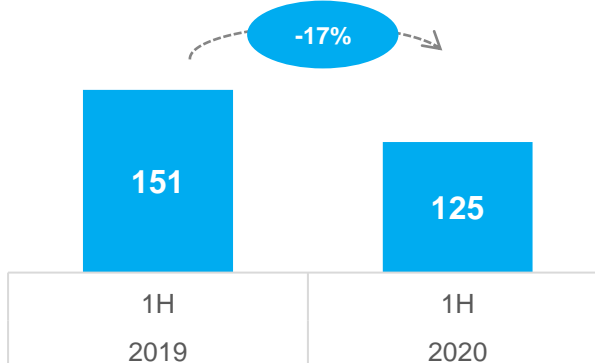
Financial Debt

MUSD



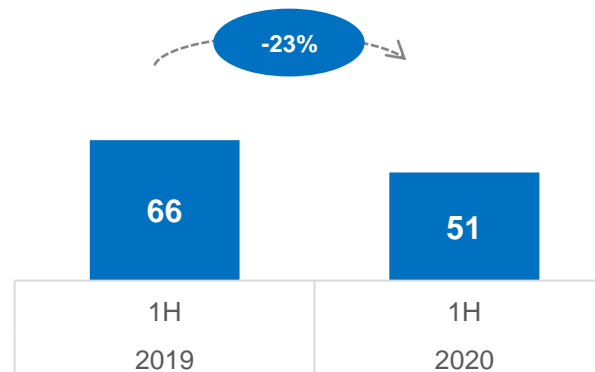
EBITDA 1H

MUSD

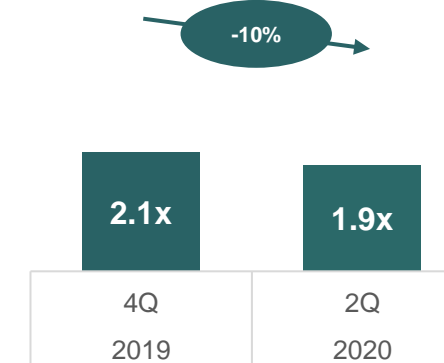


Net Result 1H

MUSD



Total Net Debt / EBITDA (1H)



ENERGY PRODUCTION AND BALANCE 2Q 2020

Lower Thermal generation in 2Q 2020 compared to 2Q 2019 and net buyer position in the spot market

GWh		2Q 2020		2Q 2019		Δ 2Q	1H 2020		1H 2019		Δ 1H	2019 FY	
Yuncán HPP	(H)	221	14%	238	11%	-7%	500	14%	508	12%	-2%	891	10%
Quitaracsa HPP	(H)	114	7%	140	7%	-18%	288	8%	351	8%	-18%	556	6%
Chilca1 CCGT	(T)	708	46%	1,025	48%	-31%	1,748	48%	1,687	40%	4%	4,593	53%
Chilca2 CCGT	(T)	4	0%	120	6%	-96%	21	1%	194	5%	-89%	413	5%
Ilo21 (Coal)	(T)	0	0%	0	0%	0%	0	0%	18	0%	-100%	36	0%
Ilo31 (Cold Reserve)	(T)	0	0%	4	0%	-100%	0	0%	5	0%	-93%	6	0%
Ilo41 (Nodo)	(T)	0	0%	0	0%	-100%	0	0%	2	0%	-74%	4	0%
Intipampa	(S)	24	2%	23	0%	3%	46	1%	46	1%	0%	106	1%
Auxiliaries and losses		-24	-2%	-13	-1%	83%	-74	-2%	-45	-1%	66%	-136	-2%
NET GENERATION		1,048	68%	1,539	72%	-32%	2,530	70%	2,767	65%	-9%	6,468	75%
COES: NET		493	32%	599	28%	-18%	1,092	30%	1,490	35%	-27%	2,133	25%
CLIENTS DEMAND		1,541	100%	2,138	100%	-28%	3,623	100%	4,257	100%	-15%	8,600	100%

(H) Hydro (T) Thermal (S) Solar

2Q AND 1H RESULTS

Results for 2Q and 1H 2020 decreased explained by COVID-19 effect

(MUSD)	2Q 2020	2Q 2019	Δ 2Q	1H 2020	1H 2019	Δ 1H	2019 FY
Revenues	108.9	135.2	-19.5%	237.5	267.4	-11.2%	536.4
EBITDA	51.7	70.0	-26.2%	125.0	151.0	-17.2%	250.5
Net Result	19.0	29.6	-35.6%	50.5	65.7	-23.1%	104.2
Recurrent EBITDA*	51.7	70.0	-26.2%	125.0	145.1	-13.9%	270.4
Recurrent Net Result*	19.0	29.6	-35.6%	50.5	62.4	-19.0%	119.1
Financial Debt	548.0	670.6	-18.3%	548.0	670.6	-18.3%	612.4
Total Debt**	562.3	689.0	-18.4%	562.3	689.0	-18.4%	629.6
Total Net Debt	431.4	635.1	-32.1%	431.4	635.1	-32.1%	537.7
Total Net Debt / EBITDA 12m	1.9x	2.2x	-14.3%	1.9x	2.2x	-14.3%	2.1x

* Does not include Non-core inventory and assets sale

** Total Debt = Financial Debt + IFRS16

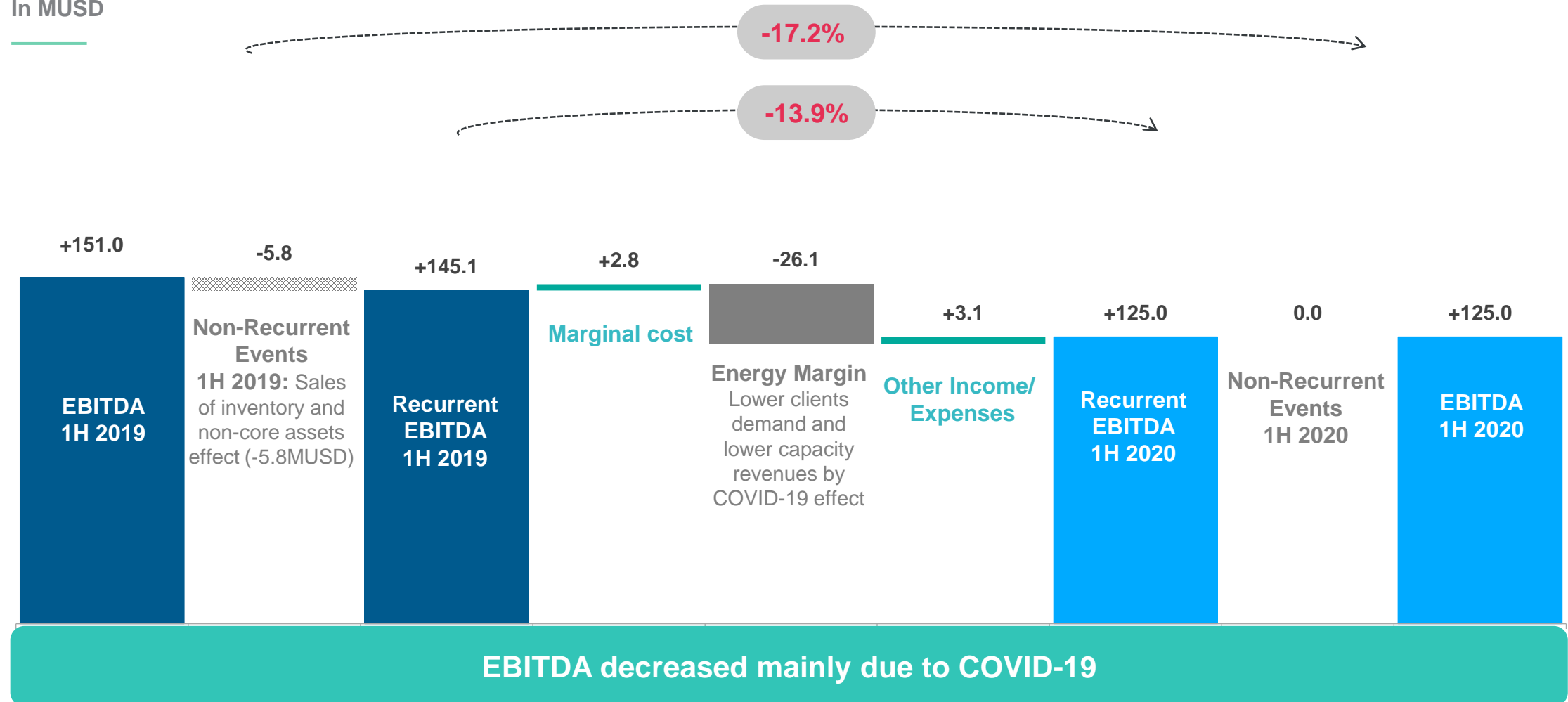


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FINANCIAL UPDATE

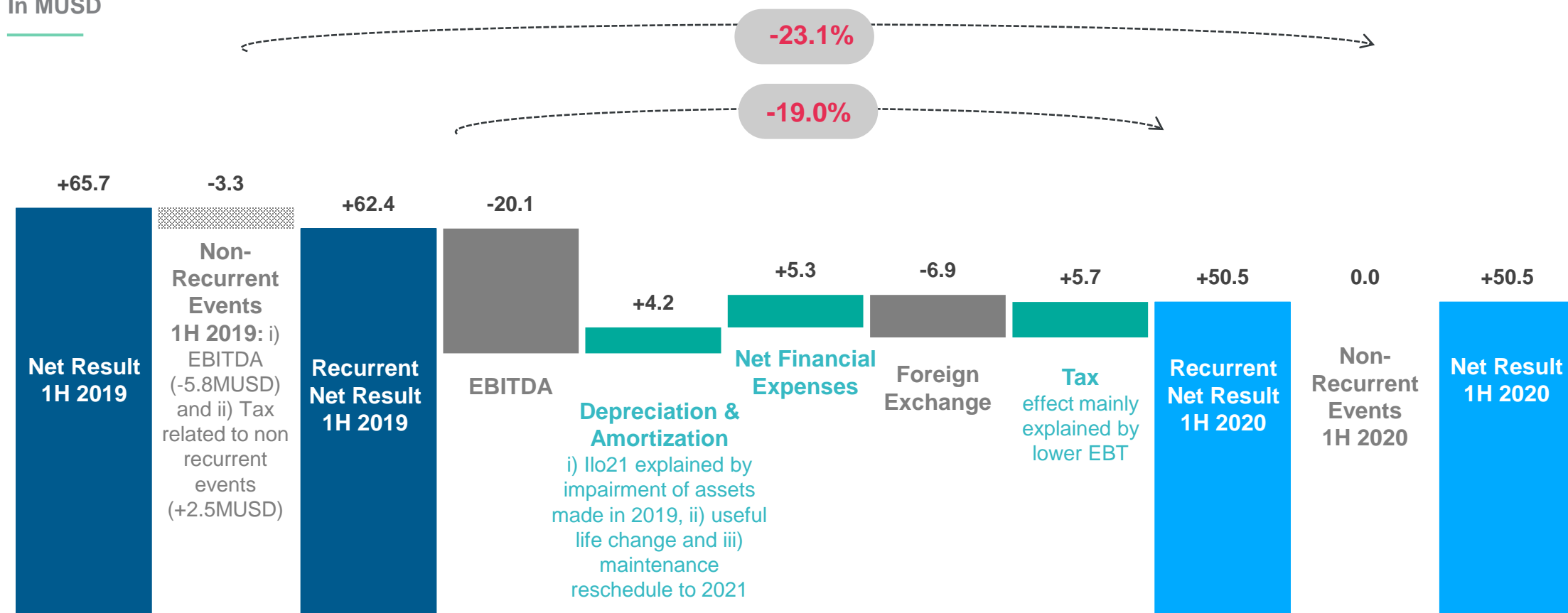
EBITDA 1H 2020 vs. 2019: -26.0 MUSD (-20.1 MUSD recurrent)

By effect
In MUSD



NET RESULT 1H 2020 vs. 2019: -15.2 MUSD (-11.9 MUSD recurrent)

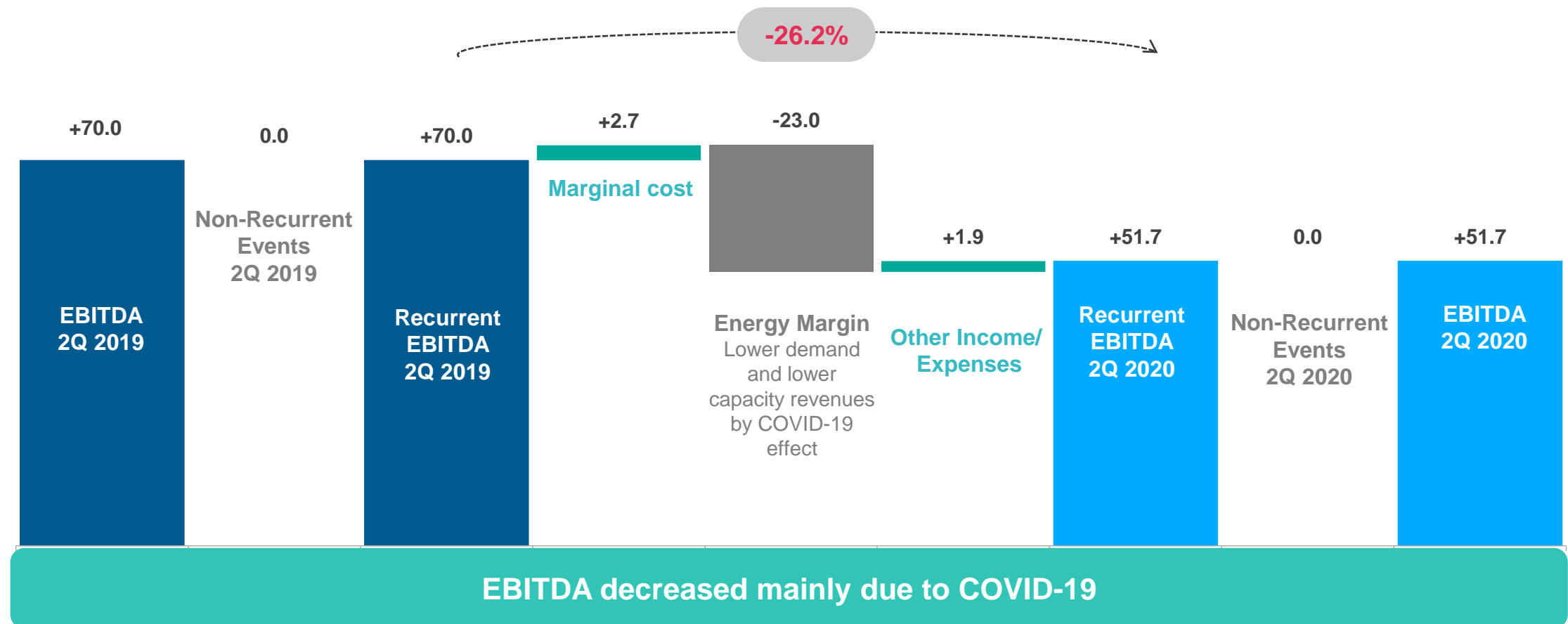
By effect
In MUSD



EBITDA and foreign exchange are the main variations for 1H 2020 Net Result vs 1H 2019

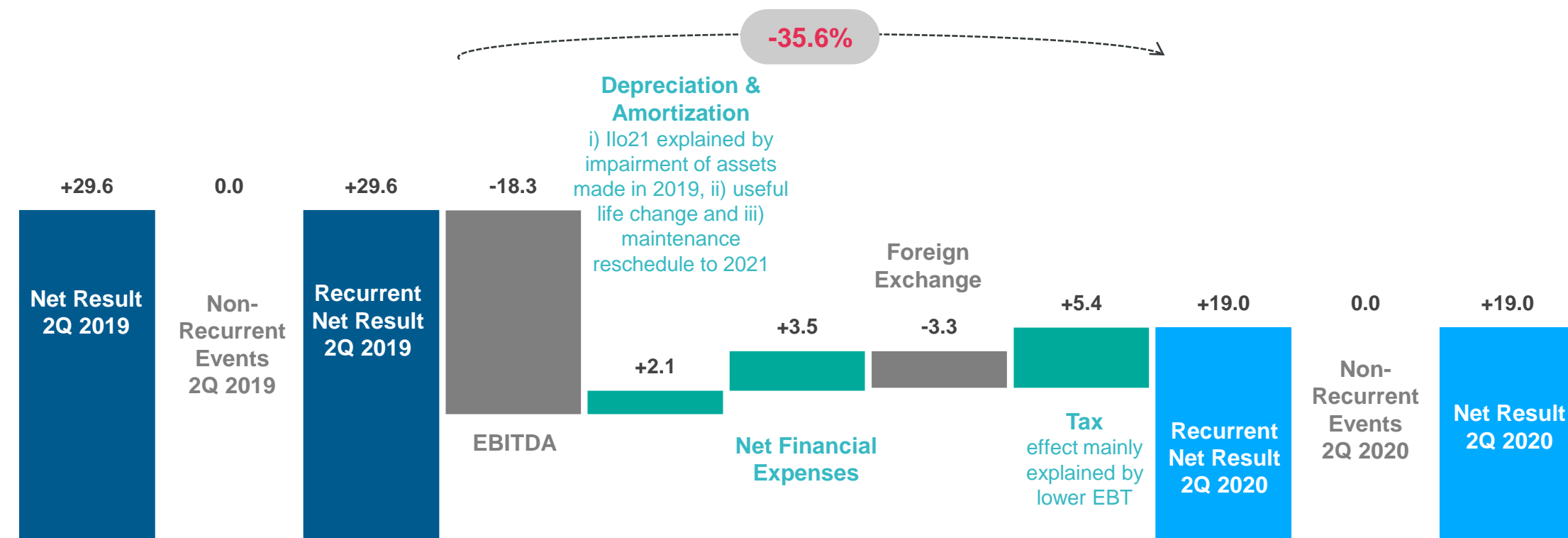
EBITDA 2Q 2020 vs. 2019: -18.3 MUSD

By effect
In MUSD



NET RESULT 2Q 2020 vs. 2019: -10.5 MUSD

By effect
In MUSD

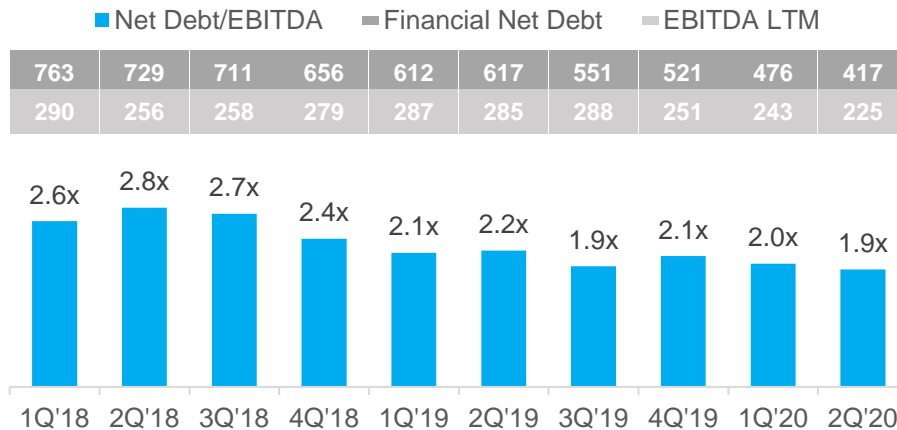


EBITDA and foreign exchange are the main variations for 2Q 2020 Net Result vs 2Q 2019

SOLID FINANCIAL DISCIPLINE

OPTIMIZING COSTS, DIVERSIFYING FINANCIAL SOURCES & LIMITING RISKS

Financial Net Debt / EBITDA



Credit Rating – Jun 2020



FitchRatings

AAA.pe
Stable

12/06/2020

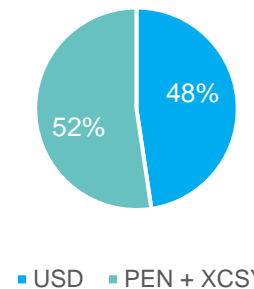

AAA.pe
Stable

21/05/2020

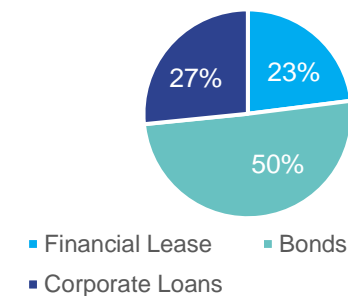
Financial Debt Breakdown - As of June 2020

579 MUSD

By Currency



By Source



Local capital market as an important partner

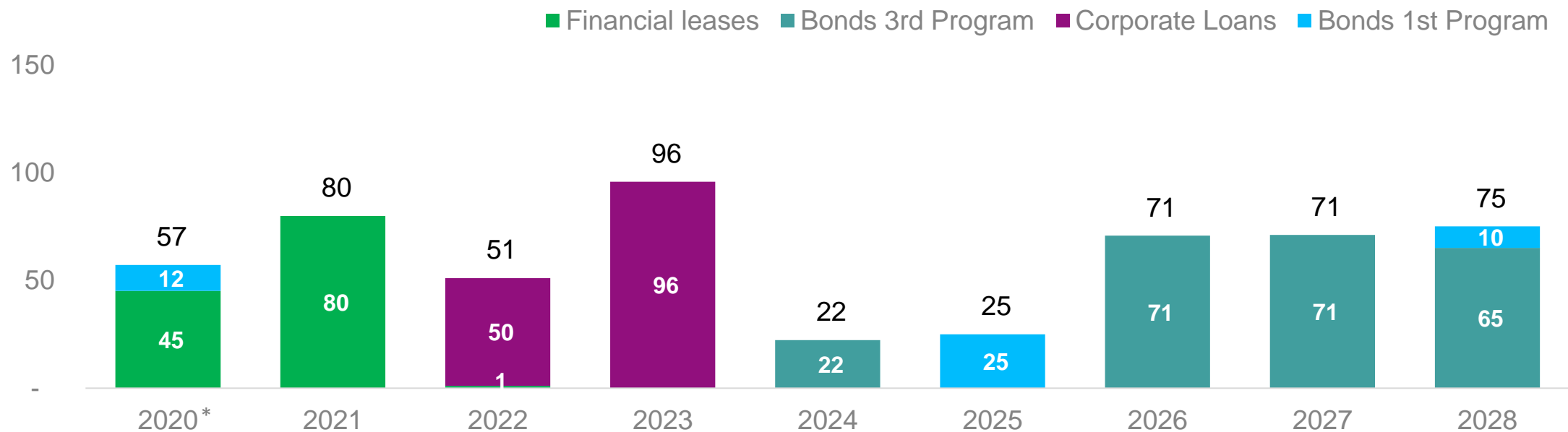
- First program for up to 400MUSD started in 2007 with total issuances of ~150MUSD (outstanding ~75MUSD)
- Third program for up to 500MUSD started in 2015:
 - 2016 → 1st issuance of 250MPEN @ 7.125% (10 yr)
 - 2017 → 2nd issuance of 79MPEN @ 6.0% (7 yr)
 - 2017 → 3rd issuance of 251MPEN @ 6.53% (10 yr)
 - 2018 → 4th issuance of 230MPEN @ 6.7188% (10 yr)

DEBT PROFILE

Constantly looking for optimization of existing debt

Outstanding debt repayment

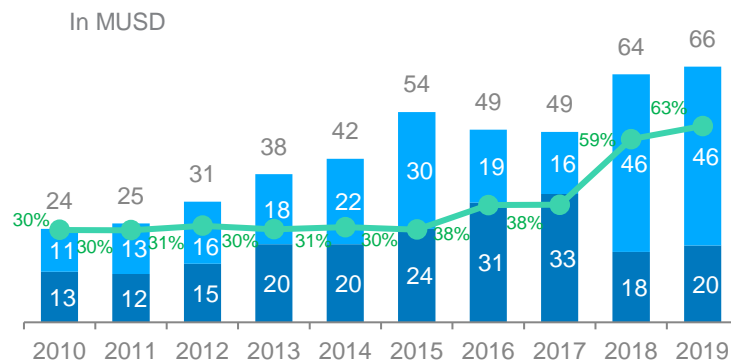
MUSD
200



* Remaining as from July

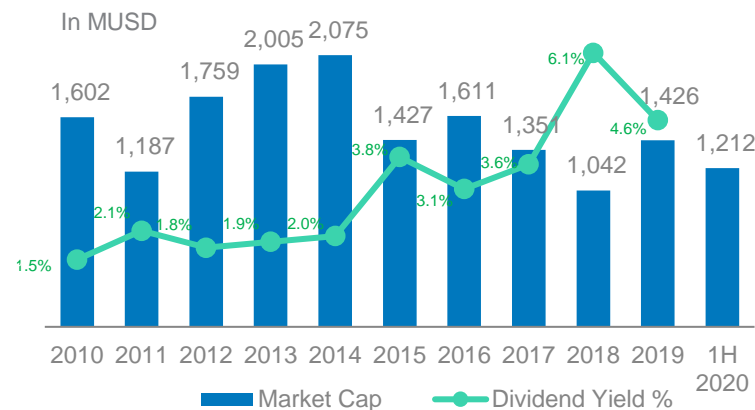
SHAREHOLDER RETURN

DIVIDENDS PAID



*The dividends of the 2nd half of 2019 are pending to pay

MARKET CAP & DIVIDEND YIELD

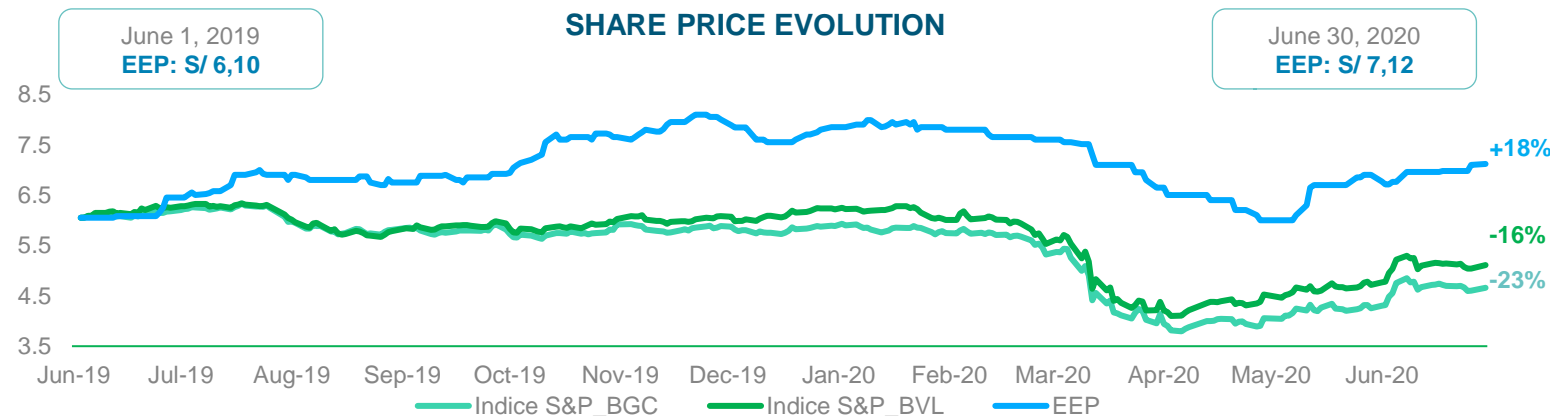


FINANCIAL MARKET DATA – JUNE 2020

Number of shares issued	601,307,011
Share price (PEN) – 30/06/2020	7.12
VWAP (3m) – (PEN)	6.69
52 week – high – (PEN)	8.10
52 week – low – (PEN)	6.00
Market Cap (MUSD)	1,212
Enterprise Value (EV) (MUSD)	1,629
EV / EBITDA	7.3x
Price to Book Value (P/B)	1.0x
Price / Earnings ratio (P/E)	13.7x
Daily avg. trading volume (Msh)	0.16

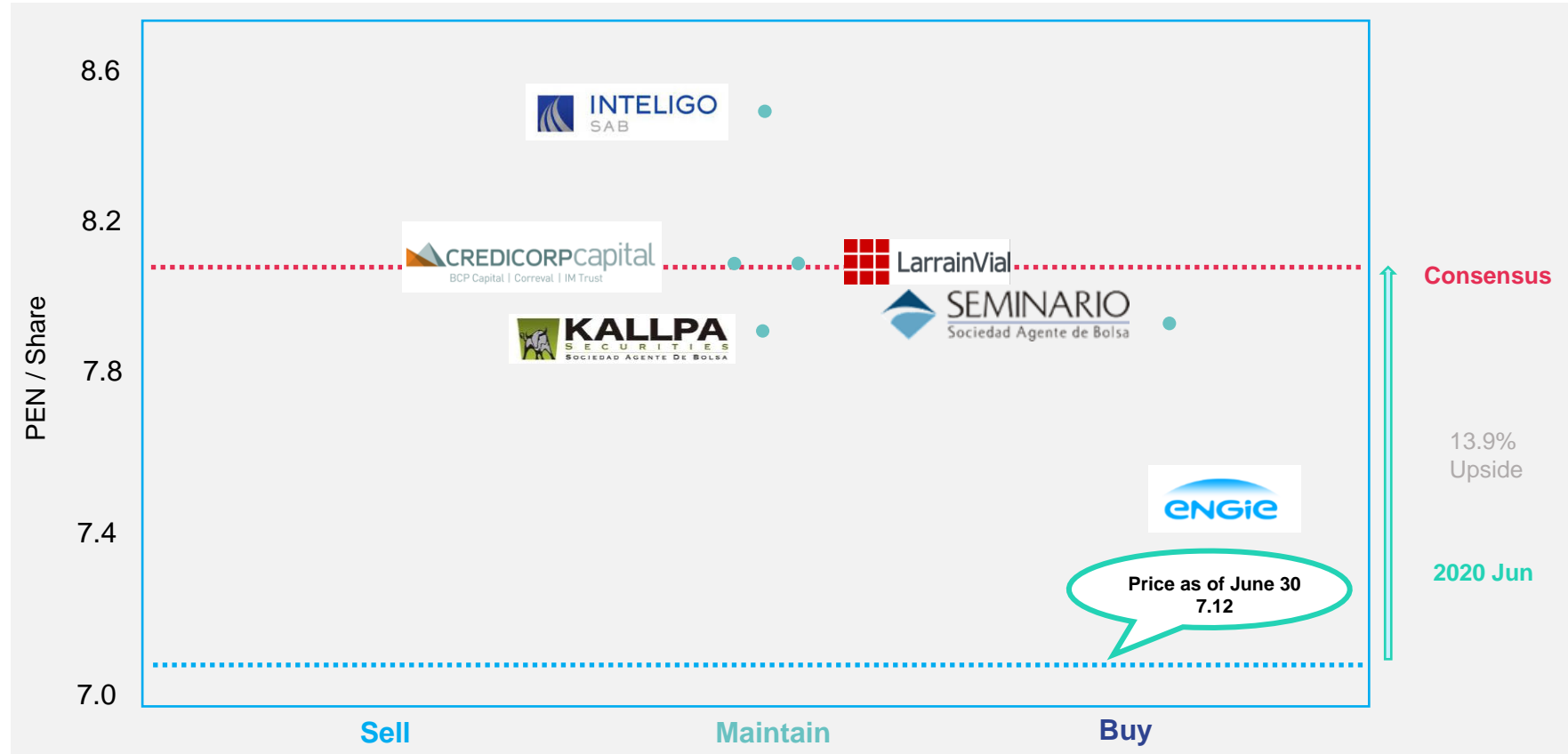
EV: Market Cap + Net Debt
P/B: Market Cap / Book Value of Equity

SHARE PRICE EVOLUTION



Source: Bloomberg / elaborated by ENGIE

EQUITY ANALYST VIEW



	Credicorp	Larrain	Kallpa	Inteligo	Seminario	Consensus
Target Price	8.10	8.10	7.85	8.47	8.03	8.11
Recommendation	Maintain	Maintain	Maintain	Maintain	Buy	
Date	May 2020	January 2020	June 2020	May 2020	May 2020	

ENGIE Energia Peru Overview



2nd largest player in the country



Low Co2 generation base



Diversified & decentralized portfolio of generation



292.5 km of transmission lines



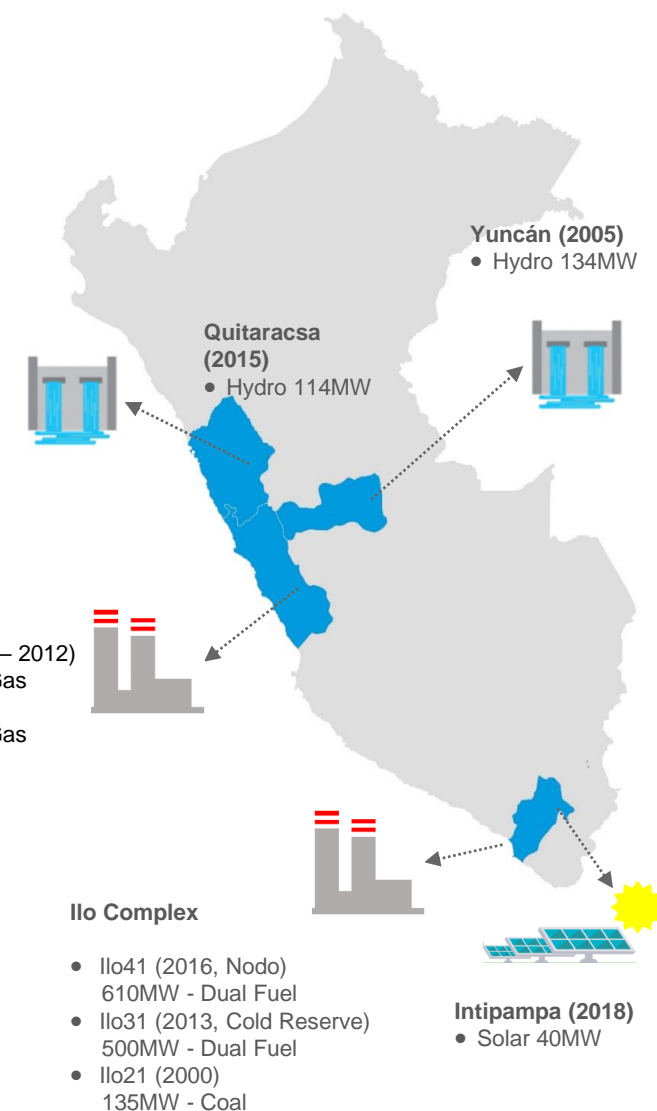
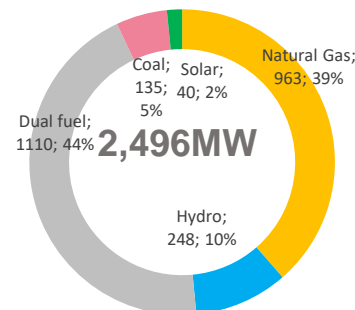
Value added customer solutions



23 years operating in the country & listed



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THANKS

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