



ENGIE ENERGÍA PERÚ S.A.

Investors Presentation

Results 3Q 2020



ÍNDICE
DE BUEN GOBIERNO
CORPORATIVO

cfi. 2017
co

MEJOR
GENERADORA DE
ENERGÍA ESG

cfi. 2016
co

MEJOR
GENERADORA DE
ENERGÍA ESG



PREMIO
NACIONAL
Antonio Brack Egg

COVID-19: MEASURES AND BUSINESS CONTINUITY

Safety first

- **+70%** home office
- **Increased** internal communications
- **Crisis committee**
- Strict **protocols**
- Site **sanitization**
- Continued social **contribution**

CEO Message

"...We are doing a good job, but above all we are preserving our well-being and health. Keep up the good work".



Operational Continuity



Projects in progress



Donations to our local neighboring communities



- 60,000 safety products and 22 tons of food
- 600 m3 of oxygen.

Innovation for Public Health



- Containers for medical use

20,000 face masks prepared by local organizations of women leaders



Support to national efforts through universities



- 5 Mechanical ventilators with PUCP
- 3,000 Digital face shields with ESAN.

MAINTAINING OUR ENGAGEMENT TO SUSTAINABILITY



For the third consecutive year, ENGIE Energía Perú is selected as part of the BVL Good Corporate Governance Index

The Good Corporate Governance Index of the BVL (Bolsa de Valores de Lima) recognizes Peruvian companies with best practices in corporate governance, transparency, equity, information integrity and social responsibility.



ENGIE Group joins Mining3 to accelerate the decarbonization of the Mining Industry by co-creating Hydrogen solutions.

Both organizations will join efforts to promote initiatives that contribute to the carbon neutrality of the mining sector, mainly through the development of solutions applying renewable hydrogen.



ENGIE and MODASA launch the first electric bus “made in Perú”

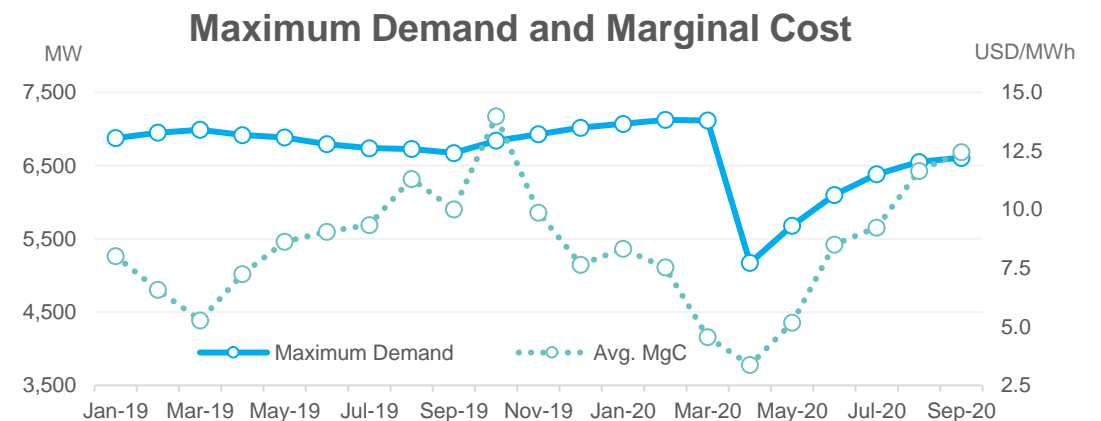
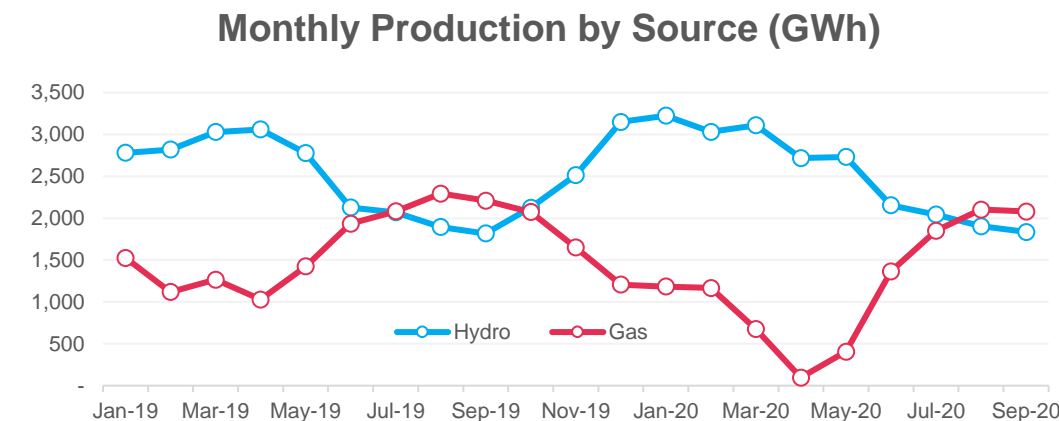
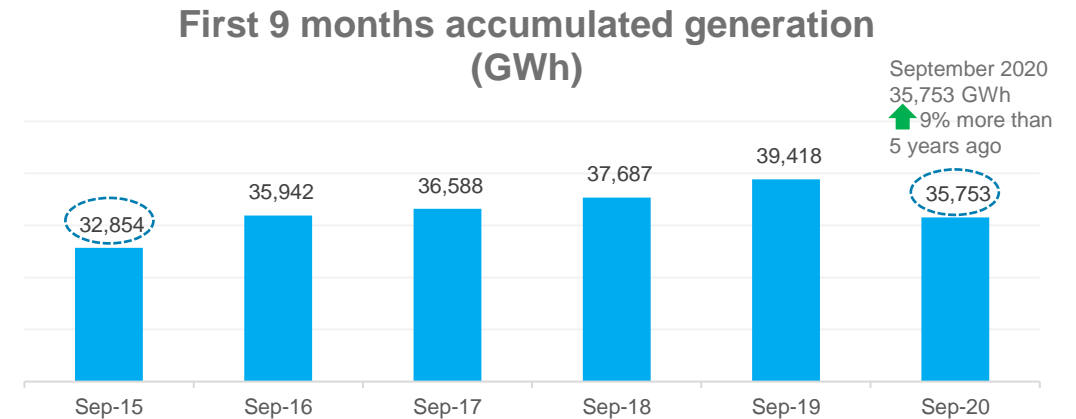
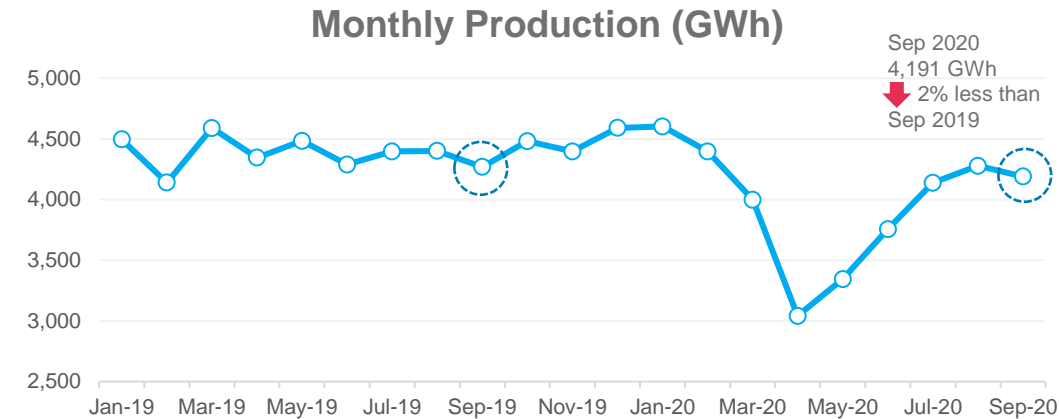
This joint initiative opens a precedent in terms of the manufacture of green Peruvian vehicles, offering new opportunities for reducing CO2 emissions but also for fostering job creation, training of local professionals and national development.



KEY MESSAGES

ENERGY GENERATION MARKET IN PERU (1/2)

Electricity demand recovered in 3Q compared to 2Q, but still below pre-COVID levels

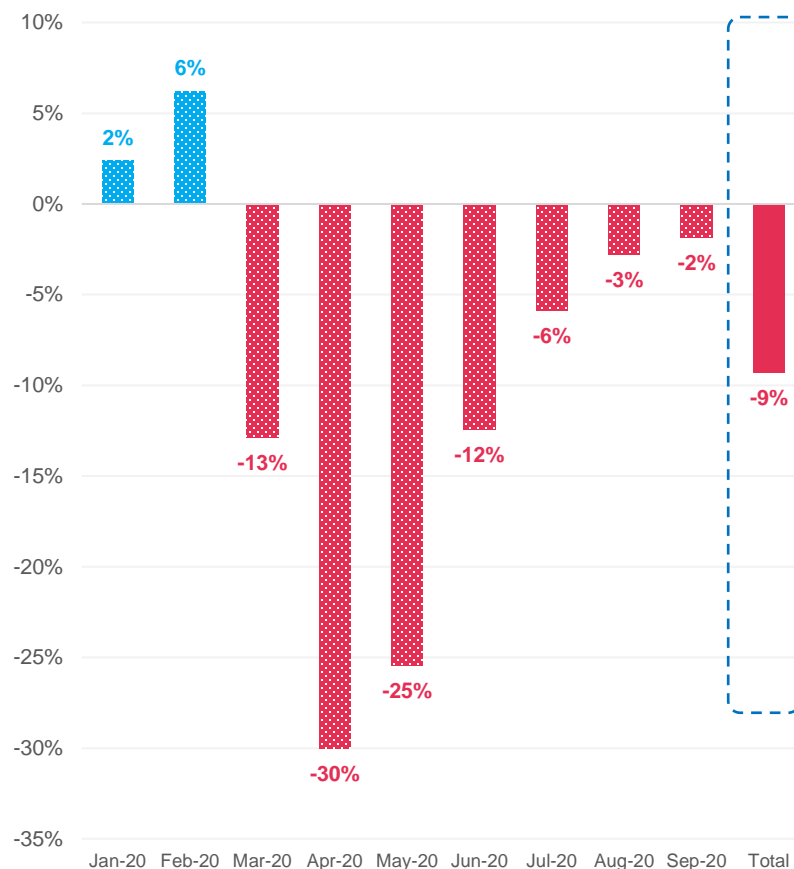


Source: COES / elaborated by ENGIE

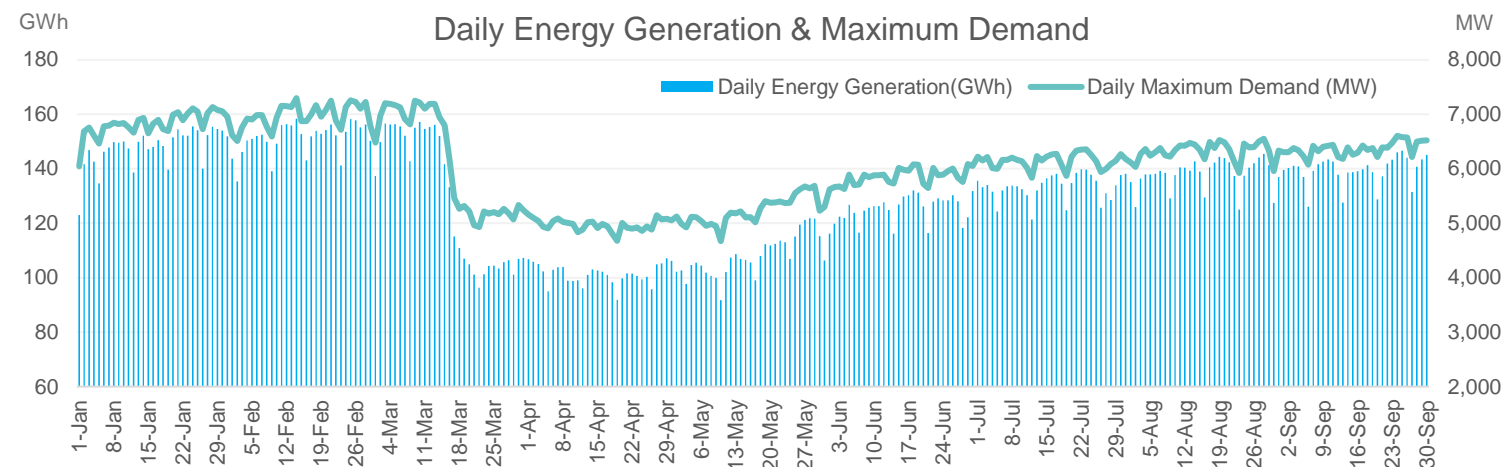
ENERGY GENERATION MARKET IN PERU (2/2)

Electricity demand recovered in 3Q compared to 2Q, but still below pre-COVID levels

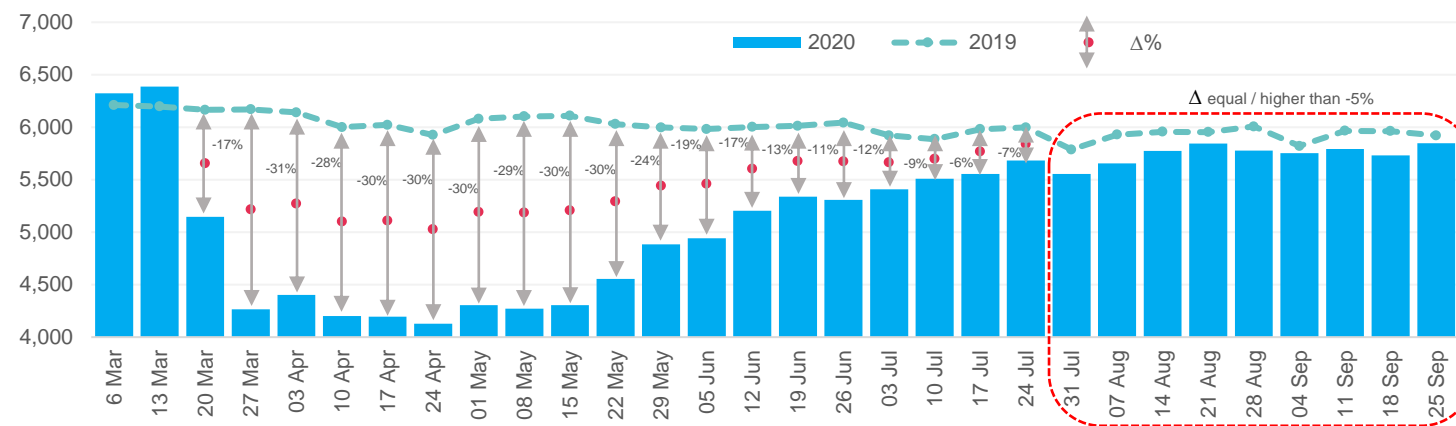
Electricity demand growth compared to 2019 (MoM)



Source: COES / elaborated by ENGIE



Evolution of weekly demand average (MW)

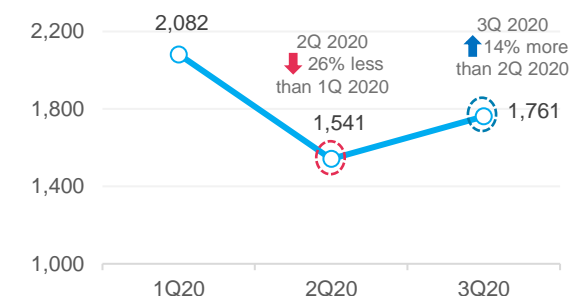


RECOVERY IN RECURRENT RESULTS 3Q20 VS 2Q20

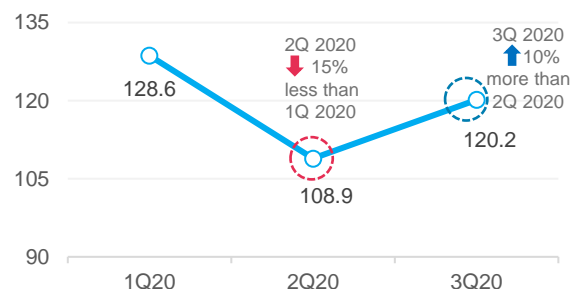
Strong recovery in important KPIs during Q3

- 3Q showed **very positive signs of recovery** after the lockdown imposed in March, despite being historically lower than 2Q.
- EEP's clients **demand rose 14%** compared to 2Q, reaching 1,761 GWh in the quarter.
- Electricity **generation was 77% up** versus the previous quarter.
- Revenues increased by 10%** and the **recurrent EBITDA by 13%** compared to 2Q.

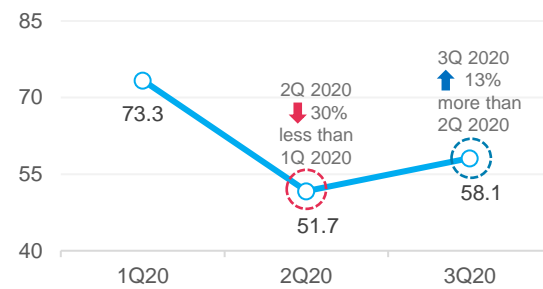
Clients Demand (GWh)



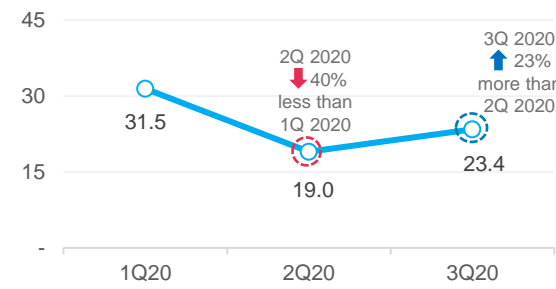
Revenues (MUSD)



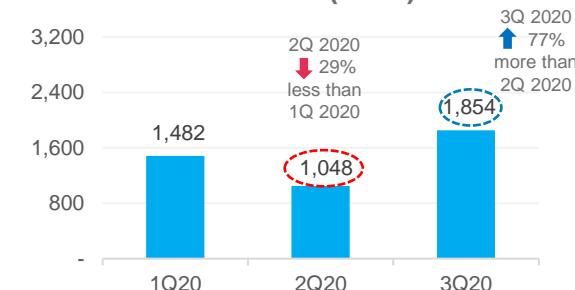
Recurrent EBITDA (MUSD)



Recurrent Net Result (MUSD)



Generation (GWh)



3Q 2020 HIGHLIGHTS

Main impacts due to COVID-19



The market

- **Total energy generation (SEIN) decreased 9.3% in 9M 2020** compared to 9M 2019. As of September, EEP maintained a leading position in the sector, accounting for **19.8%** of the total capacity and **12.6%** of the total energy generation of the system.
- Number of free clients in **9M 2020 increased by 25.3%** to a total of **94 free clients** compared to 9M 2019.
- **120MW** of new contracts and extensions of existing contracts signed as of September 2020.



Financial results

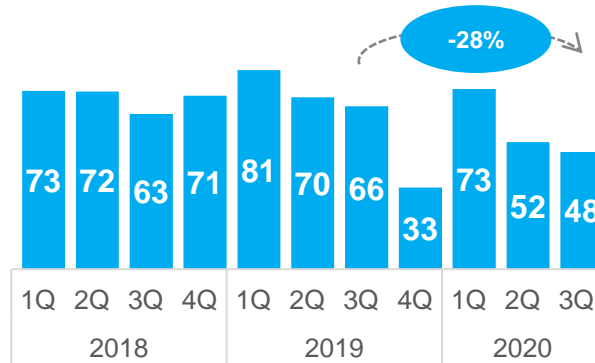
- **A review of the dismantling costs and additional impairment** for Ilo21 were recognized during 3Q 2020 (accounting impact of 10.4MUSD).
- **9M 2020 EBITDA reached 172.7MUSD, a 20.5% decrease** compared to **9M 2019**, mainly due to COVID-19 effect and non-recurrent events in 2019 and 2020 (12.4% decrease without these events), whilst Net Result reached 66.6MUSD, a 29.8% decrease compared to 9M 2019 (19.3% decrease without non-recurrent).
- **3Q 2020 EBITDA reached 47.7MUSD, a 28.0% decrease** compared to **3Q 2019**, mainly due to COVID-19 effect and non-recurrent events in 2020 (12.3% decreases without these events), whilst Net Result reached **16.1MUSD, a 44.8% decrease compared to 3Q 2020** (19.8% decrease without non-recurrent)
- Financial debt decreased to **521MUSD**, a reduction of 15% versus December 2019. We have continued with the amortization calendar of our financial debt and we have not incurred in new debt during these 9 months. Our **Total Net Debt⁽¹⁾ / EBITDA (FY): 2.2x @ Sep/2020**.

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

MAIN FINANCIAL RESULTS 3Q 2020

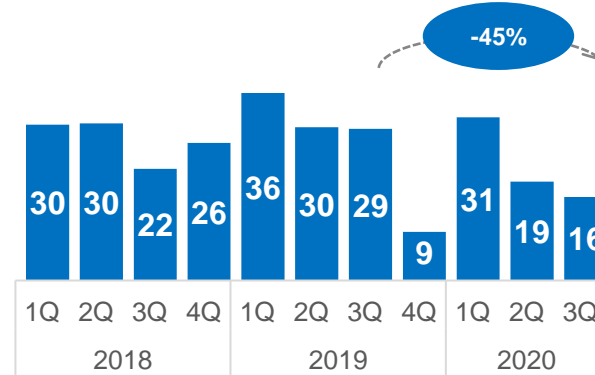
EBITDA 3Q

MUSD



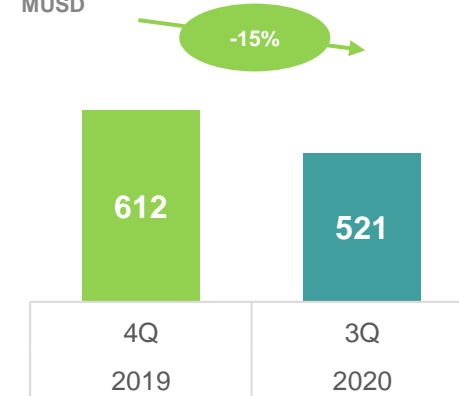
Net Result 3Q

MUSD



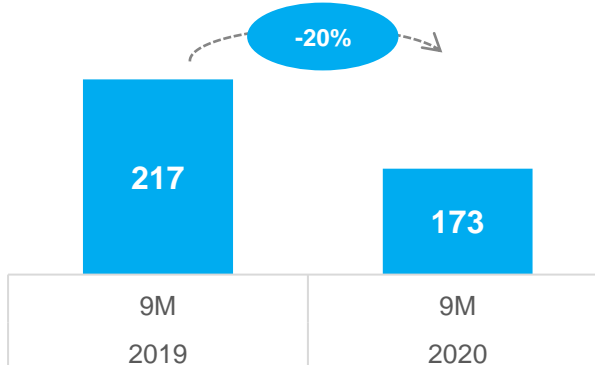
Financial Debt

MUSD



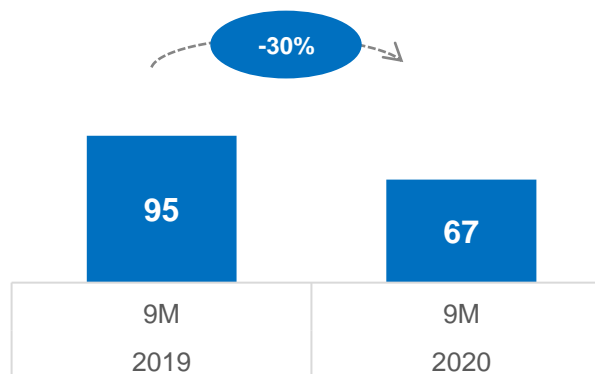
EBITDA 9M

MUSD

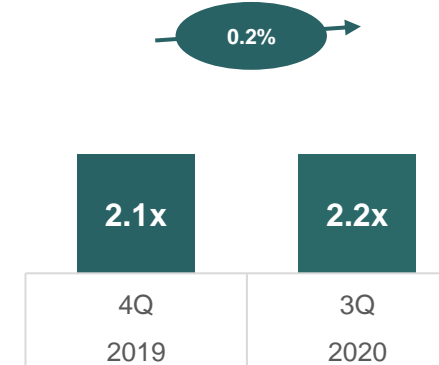


Net Result 9M

MUSD



Total Net Debt / EBITDA (9M)



EEP's GENERATION AND ENERGY BALANCE 3Q 2020

Higher Thermal generation in 3Q 2020 compared to 3Q 2019 and net seller position in the spot market

GWh		3Q 2020		3Q 2019		Δ 3Q	9M 2020		9M 2019		Δ 9M	2019 FY	
Yuncán HPP	(H)	147	8%	150	7%	-2%	648	12%	658	10%	-2%	891	10%
Quitaracsá HPP	(H)	58	3%	64	3%	-10%	346	6%	415	6%	-17%	556	6%
Chilca1 CCGT	(T)	1,435	81%	1,505	70%	-5%	3,183	59%	3,192	50%	0%	4,593	53%
Chilca2 CCGT	(T)	220	12%	125	6%	76%	241	4%	318	5%	-24%	413	5%
Ilo21 (Coal)	(T)	0	0%	9	0%	-100%	0	0%	28	0%	-100%	36	0%
Ilo31 (Cold Reserve)	(T)	0	0%	0	0%	-100%	0	0%	5	0%	-93%	6	0%
Ilo41 (Nodo)	(T)	0	0%	1	0%	-100%	0	0%	3	0%	-83%	4	0%
Intipampa	(S)	27	2%	26	1%	2%	73	1%	73	1%	0%	106	1%
Auxiliaries and losses		-33	-2%	-33	-2%	-1%	-107	-2%	-77	-1%	38%	-136	-2%
NET GENERATION		1,854	105%	1,847	86%	0%	4,385	81%	4,615	72%	-5%	6,468	75%
COES: NET		-93	-5%	302	14%	-131%	999	19%	1,792	28%	-44%	2,133	25%
CLIENTS DEMAND		1,761	100%	2,149	100%	-18%	5,384	100%	6,407	100%	-16%	8,600	100%

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

3Q AND 9M RESULTS

Results for 3Q and 9M 2020 decreased explained by COVID-19 effect and non-recurrent events

(MUSD)	3Q 2020	3Q 2019	Δ 3Q	9M 2020	9M 2019	Δ 9M	2019 FY
Revenues	120.2	134.3	-10.5%	357.7	401.7	-10.9%	536.4
EBITDA	47.7	66.3	-28.0%	172.7	217.2	-20.5%	250.5
Net Result	16.1	29.2	-44.8%	66.6	94.9	-29.8%	104.2
Recurrent EBITDA*	58.1	66.3	-12.3%	183.1	211.4	-13.4%	270.4
Recurrent Net Result*	23.4	29.2	-19.8%	73.9	91.6	-19.3%	119.1
Financial Debt	520.5	633.9	-17.9%	520.5	633.9	-17.9%	612.4
Total Debt**	532.1	652.2	-18.4%	532.1	652.2	-18.4%	629.6
Total Net Debt	443.1	569.5	-22.2%	443.1	569.5	-22.2%	537.7
Total Net Debt / EBITDA 12m	2.2x	2.0x	8.7%	2.2x	2.0x	8.7%	2.1x

* Does not include Non-core inventory and assets sale

** Total Debt = Financial Debt + IFRS16

NON-RECURRENT EVENTS IN 9M 2020

1. Impairment of assets Ilo21

a. Revision Provision Impairment	1.6MUSD
b. Revision Provision Dismantling	8.8MUSD

Total non recurrent events

EBITDA 9M 2020	Net Result 9M 2020
-10.4MUSD	-7.3MUSD
-10.4MUSD	-7.3MUSD

As a result of these non-recurrent events, 9M 2020 recurrent EBITDA reached 183.1MUSD and recurrent Net Result attained 73.9MUSD

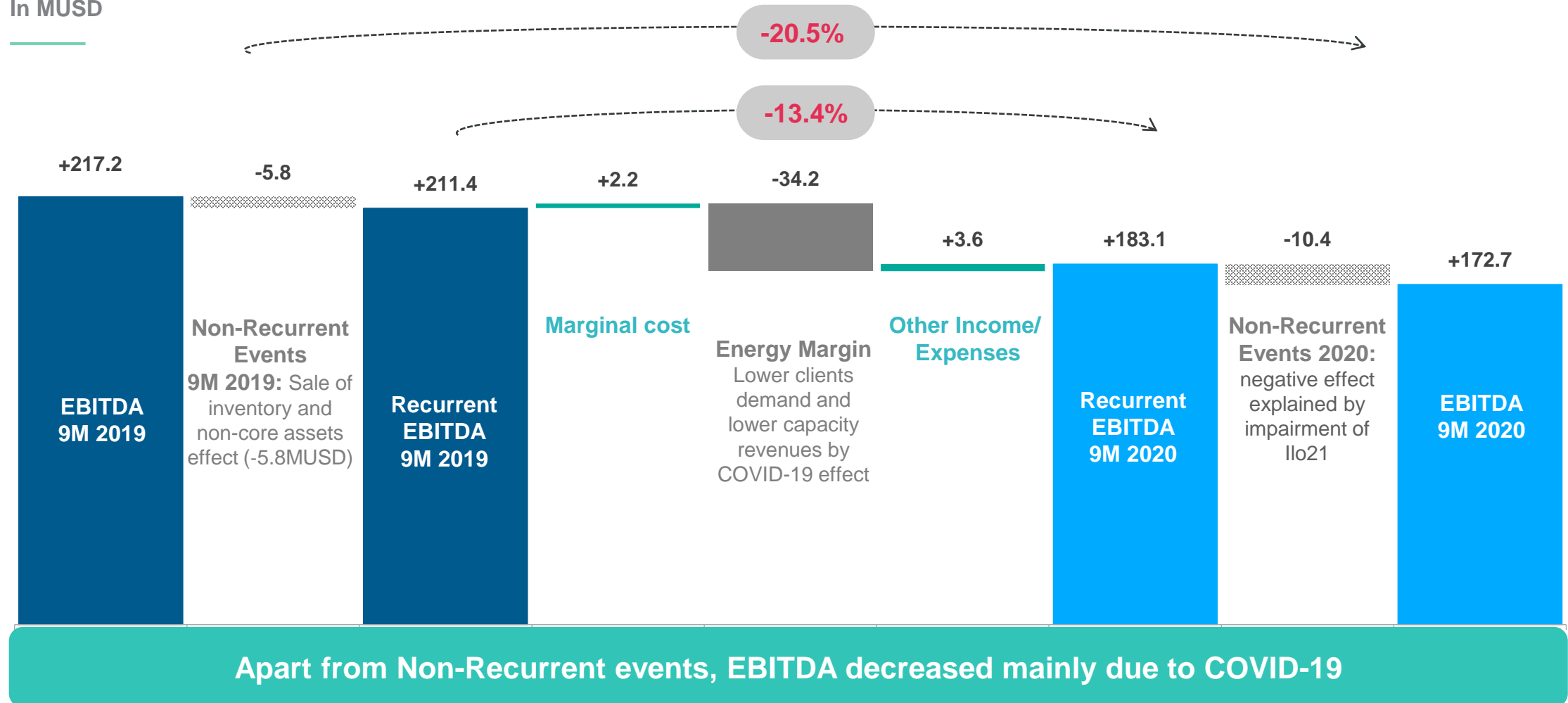


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FINANCIAL UPDATE

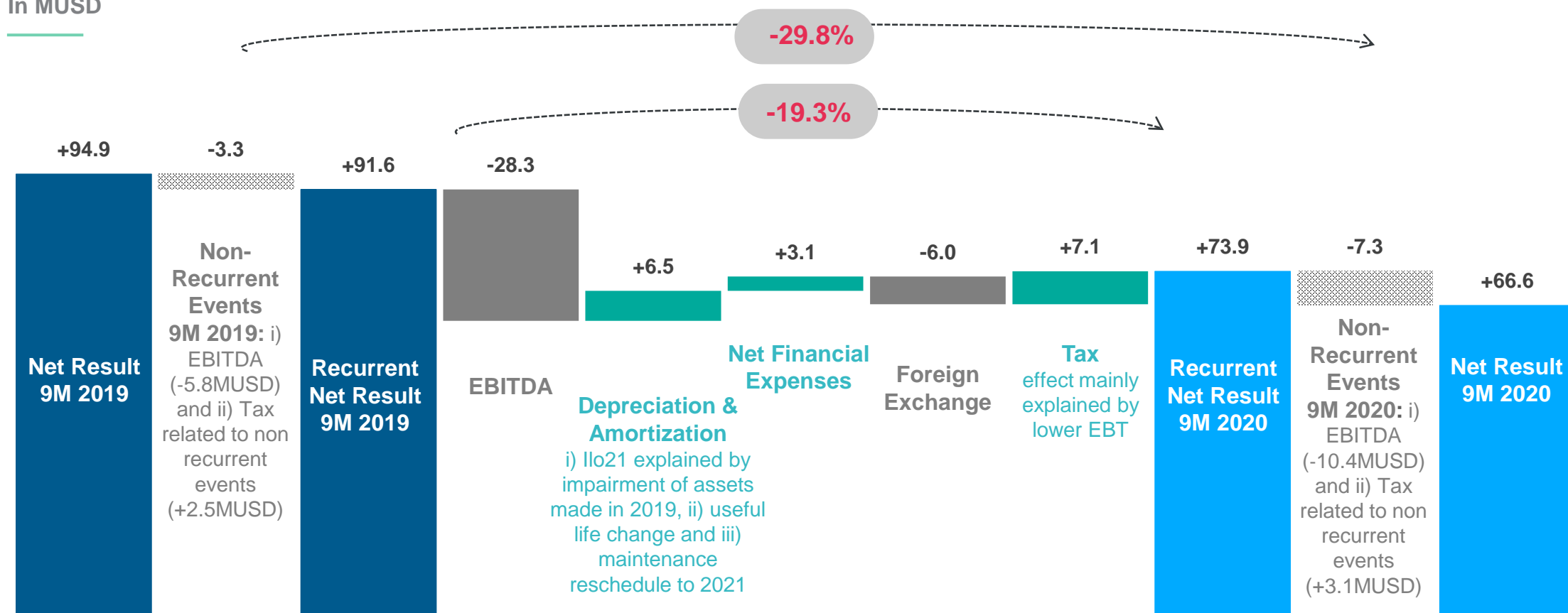
EBITDA 9M 2020 vs. 2019: **-44.5 MUSD** (**-28.3 MUSD** recurrent)

By effect
In MUSD



NET RESULT 9M 2020 vs. 2019: -28.3 MUSD (-17.6 MUSD recurrent)

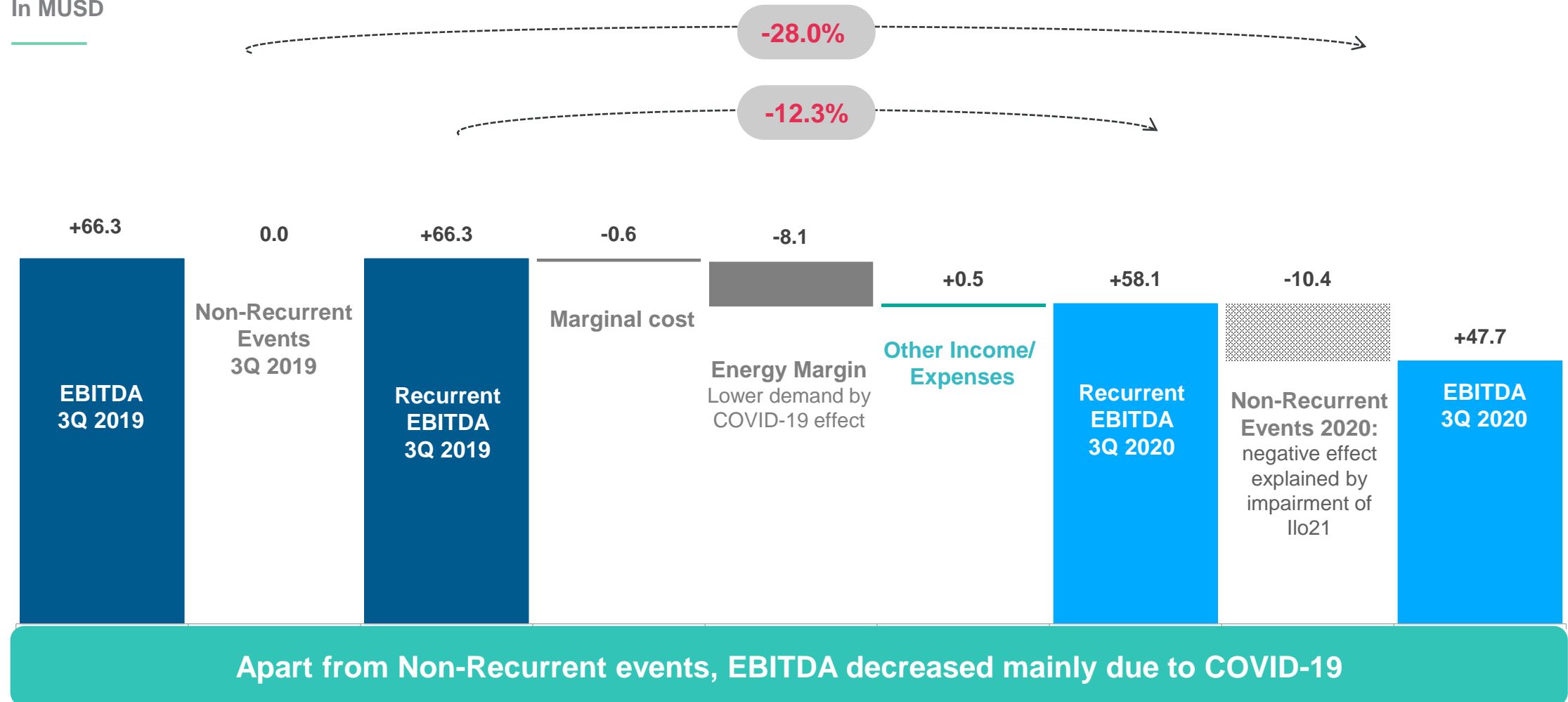
By effect
In MUSD



Net result decrease is mainly explained by the decrease in EBITDA, partially compensated by lower depreciation and income tax

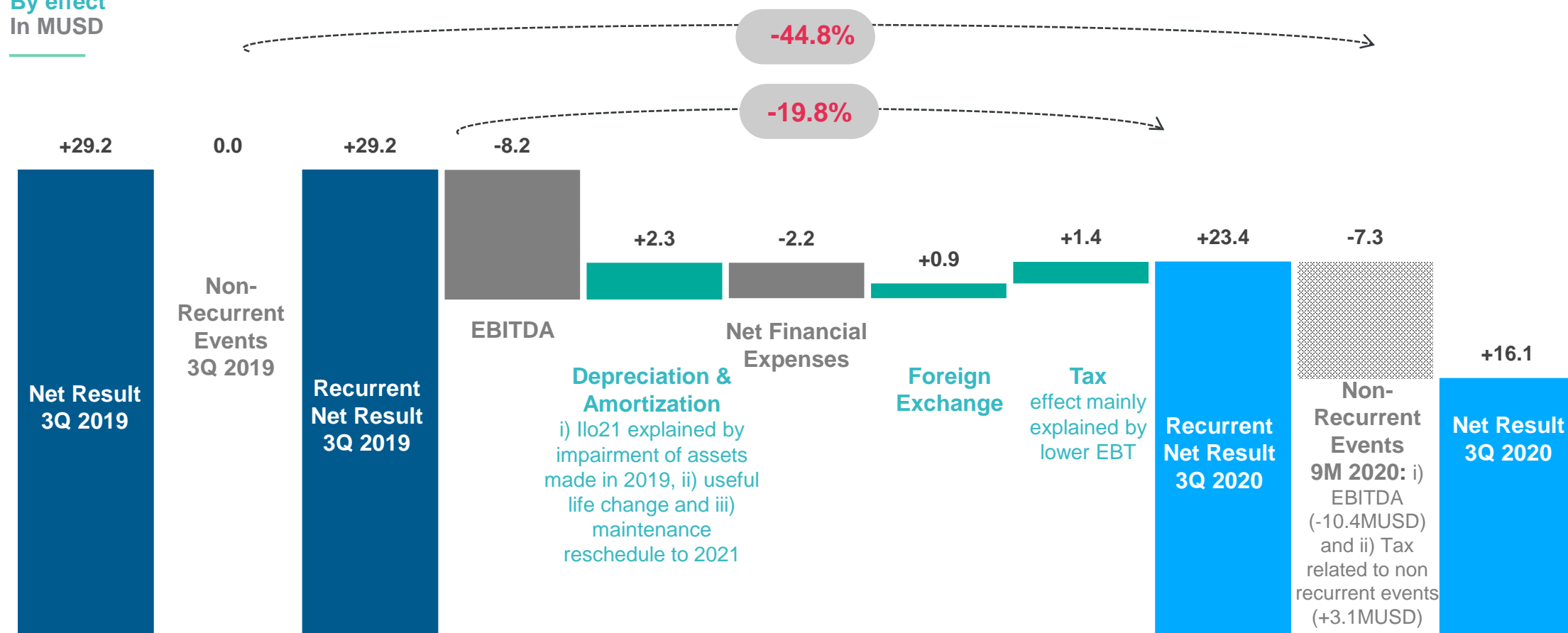
EBITDA 3Q 2020 vs. 2019: **-18.6 MUSD (-8.2 MUSD recurrent)**

By effect
In MUSD



NET RESULT 3Q 2020 vs. 2019: **-13.1 MUSD** (**-5.8 MUSD** recurrent)

By effect
In MUSD

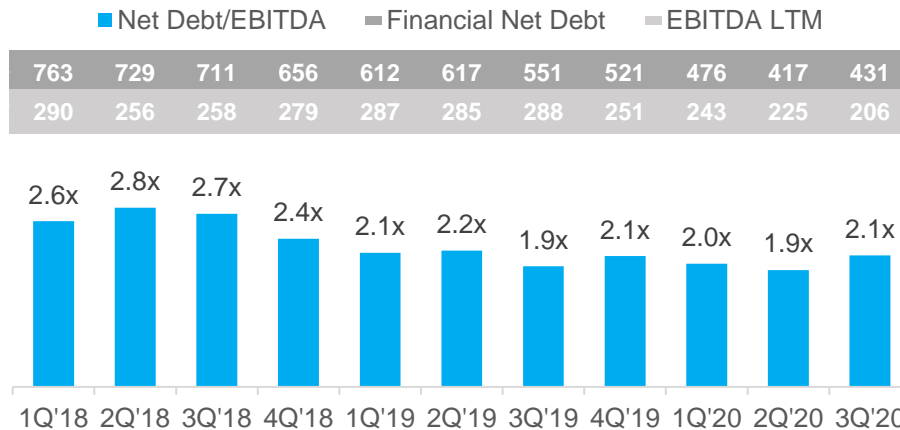


EBITDA and net financial expenses are the main variations for 3Q 2020 Net Result vs 3Q 2019

SOLID FINANCIAL DISCIPLINE

Reducing leverage and strong credit rating

Financial Net Debt / EBITDA



Credit Rating – Sep 2020



FitchRatings

AAA.pe
Stable

12/06/2020



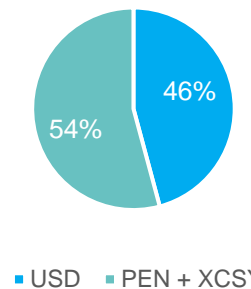
AAA.pe
Stable

21/05/2020

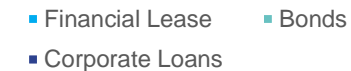
Financial Debt Breakdown - As of September 2020

521 MUSD

By Currency



By Source

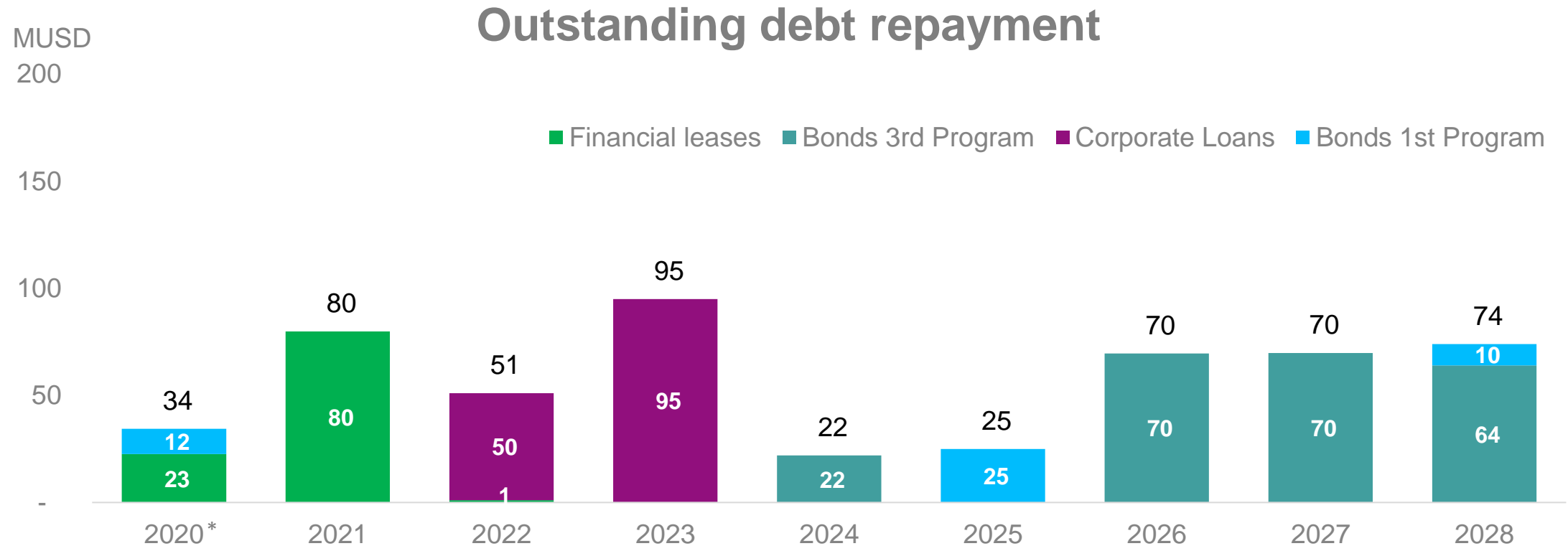


Local capital market as an important partner

- 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

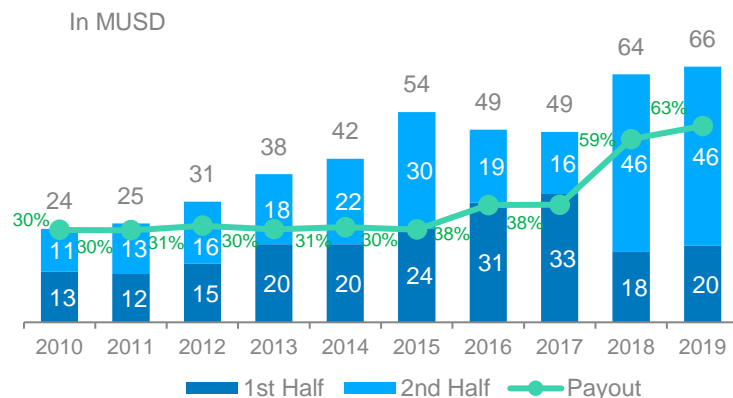
Constantly looking for optimization of existing debt



* Remaining as from October

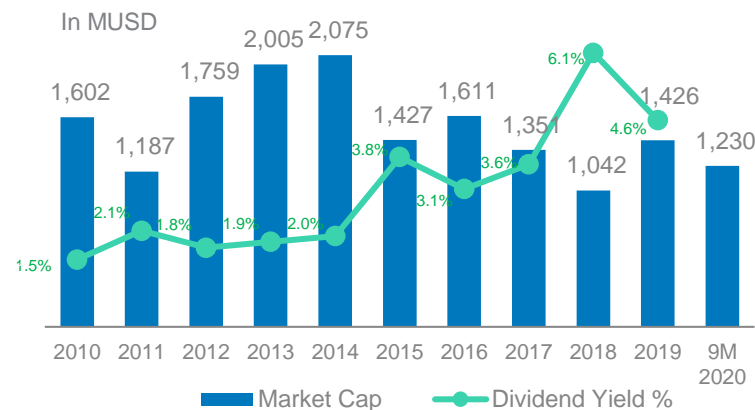
SHAREHOLDER RETURN

DIVIDENDS PAID



*The dividends of the 2nd half of 2019 were paid in August 2020

MARKET CAP & DIVIDEND YIELD

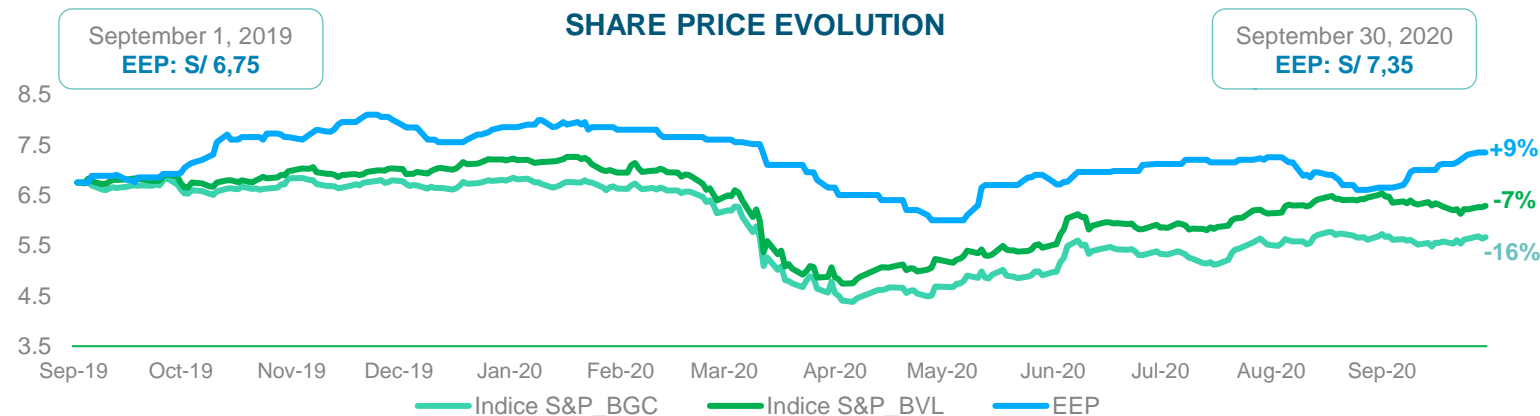


FINANCIAL MARKET DATA – SEPTEMBER 2020

Number of shares issued	601,307,011
Share price (PEN) – 30/09/2020	7.35
VWAP (3m) – (PEN)	6.97
52 week – high – (PEN)	8.10
52 week – low – (PEN)	6.00
Market Cap (MUSD)	1,230
Enterprise Value (EV) (MUSD)	1,661
EV / EBITDA	8.1x
Price to Book Value (P/B)	1.1x
Price / Earnings ratio (P/E)	16.2x
Daily avg. trading volume (Msh)	0.07

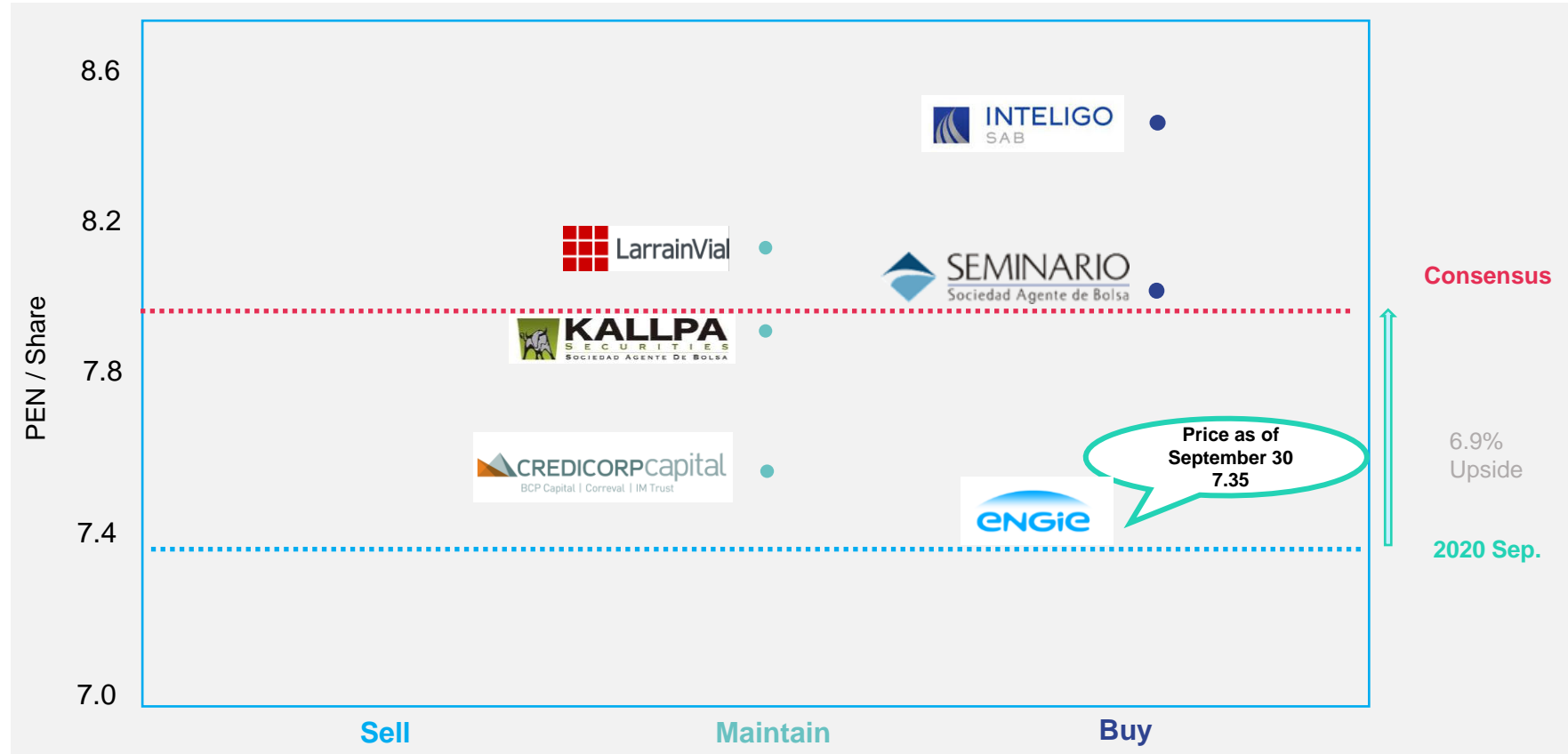
EV: Market Cap + Net Debt
P/B: Market Cap / Book Value of Equity

SHARE PRICE EVOLUTION



Source: Bloomberg / elaborated by ENGIE

EQUITY ANALYST VIEW



	Credicorp	Larrain	Kallpa	Inteligo	Seminario	Consensus
Target Price	7.58	8.10	7.85	8.47	8.03	7.90
Recommendation	Maintain	Neutral	Maintain	Buy	Buy	
Date	September 2020	July 2020	August 2020	August 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



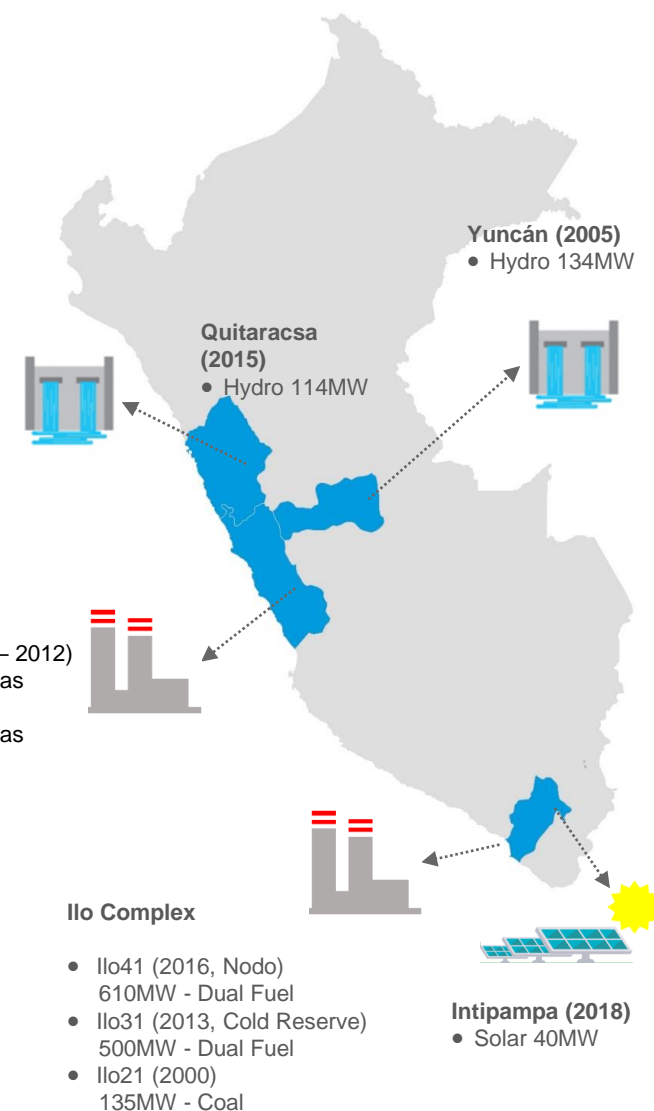
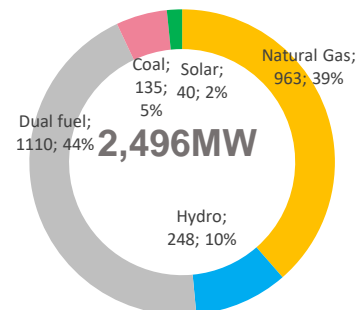
Value added customer solutions



23 years operating in the country & listed



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THANKS

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