



# **ENGIE ENERGÍA PERÚ S.A.**

## **Investors Presentation**

**Results 4Q 2021**



# COVID-19: MEASURES AND BUSINESS CONTINUITY

✓ Occupational Health and Safety Protocols:



Use of protective equipment



Cleaning and transportation in our facilities



COVID controls for admission and work at facilities



Confidential, voluntary and free psychological support.



**Donations to our local neighboring communities**

Donation of biosafety kits to families in a vulnerable situation in Ilo.



**Health**

Financing of a Cruz Roja campaign to promote a healthy lifestyle related to nutrition, eating healthy foods, physical activity and hygiene habits during and after the pandemic.



**Mental Health**

Program  
“SaludableMENTE”, a cycle of talks and workshops aimed at fortifying the emotional, mental and physical well-being of all collaborators during the pandemic continued until the end of 2021.



**Education**

Financing of a workshop directed by the UGEL Ilo for their teachers in order to reenforce their socio-emotional aspects in preparation for the return of a presential type of classes.

# MAINTAINING OUR ENGAGEMENT TO SUSTAINABILITY



For the fourth consecutive year, ENGIE Energía Perú was recognized as the company with the best reputation of the Peruvian electricity sector, being the only company of this sector in the Top 100, reaching the 47th place.



This new index is called S&P/BVL Peru General ESG Index and recognizes companies that meet a series of environmental, social and good governance criteria. This acknowledges our long-term commitment towards a transition to a carbon neutral economy.



In association with the Asociación de Productores Agropecuarios del Valle Agrícola de Paucartambo we launched the commercial brand “Entre Frutos” with which we have achieved business and commercial development and job creation.

\*Sociedad Nacional de Minería, Petróleo y Energía

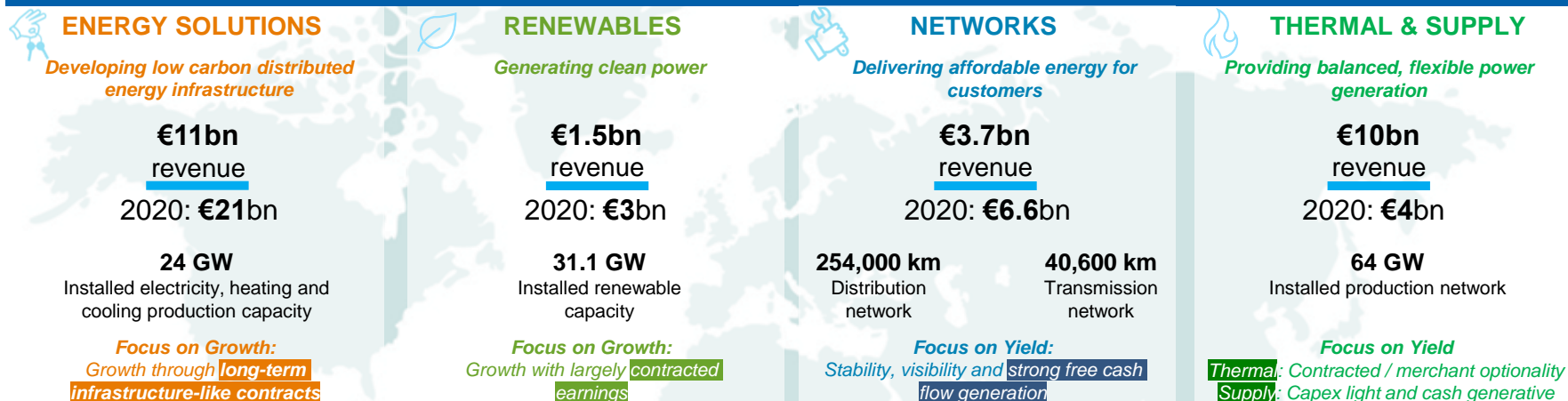


# KEY MESSAGES

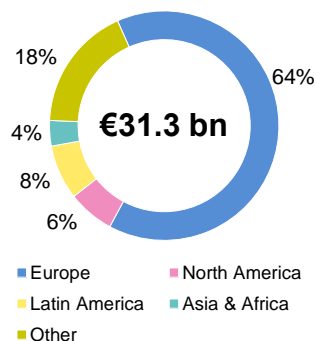
# THE ENGIE GROUP

A global reference in low carbon energy and services

FOCUSED ON FOUR GLOBAL BUSINESS UNITS IN JUST OVER 50 COUNTRIES\* - 170,000 EMPLOYEES WORLDWIDE



1H-REVENUE BREAKDOWN\*\*



EBITDA 1H-2021

**€5.4bn**  
2020: **€9.3bn**

GROWTH CAPEX 1H-2021

**€1.8bn**  
2020: **€4bn**

GENERATION CAPACITY

**101GW**  
Installed power generation capacity

\*The target is to be in less than 30 countries by 2023, \*\*2020 Revenue: € 55.8.bn



# 4Q 2021 EEP HIGHLIGHTS

## Recovery of demand and income, in a challenging environment



### The market

- Total energy generation (SEIN) increased 9.8% in 12M 2021 compared to 12M 2020. As of December, EEP maintained a leading position in the sector, accounting for 19.7% of the total capacity and 12.4% of the total energy generation of the system.
- Number of free clients in 12M 2021 increased by 4.0% to a total of 103 free clients compared to 12M 2020 (99 free clients).
- Recovery of clients demand of 9.8% in 12M 2021 compared to 12M 2020 and of 3.0% in 4Q 2021 in comparison to 4Q 2020.
- As of December 2021, EEP has signed 8 new contracts for a total capacity of 298.2 MW, the most outstanding ones are with Anglo American Quellaveco, Petroperú, Lima Airport Partners, Sociedad Eléctrica del Sur Oeste and Grupo Distriluz.



### Financial results

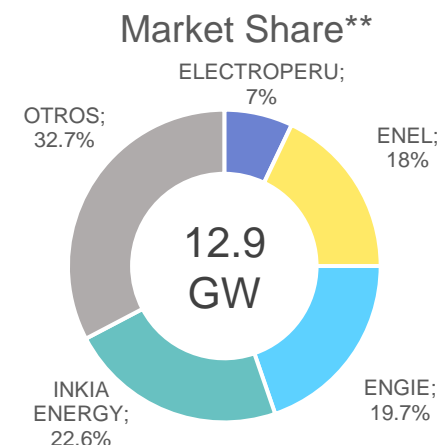
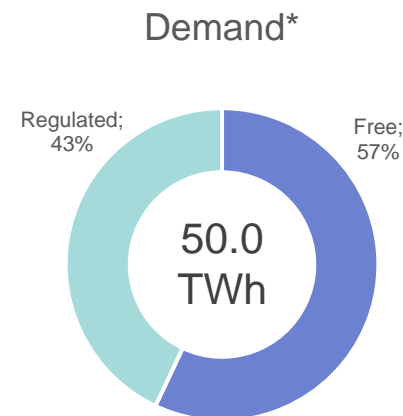
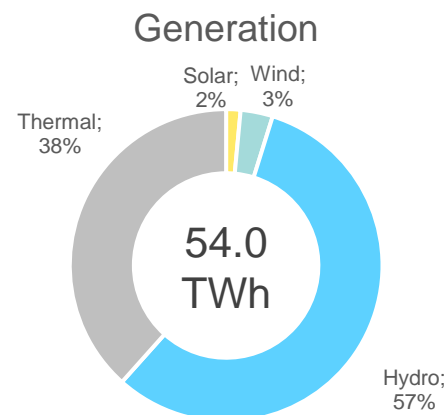
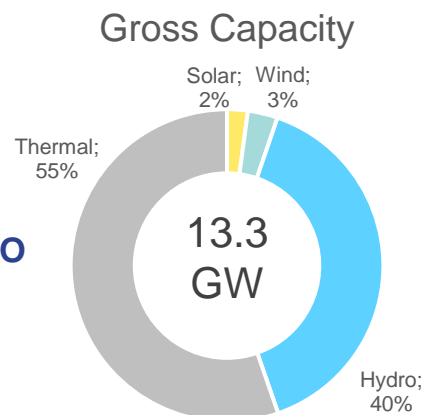
- 12M 2021 EBITDA reached 225.7MUSD, a 3.8% decrease compared to 12M 2020, mainly due to higher OPEX and non recurrent events in 2021 (1.1% decrease without these events), whilst Net Result reached 65.2MUSD, a 25.9% decrease compared to 12M 2020 (11.5% decrease without those events).
- 4Q 2021 EBITDA reached 53.1MUSD, a 0.9% decrease compared to 4Q 2020, mainly due to higher OPEX and nonrecurrent events in 2021 (10.8% increase without these events), whilst Net Result reached 2.7MUSD, a 87.4% decrease compared to 4Q 2020 (2.3% increase without those events).
- Financial debt increased to 532MUSD, an increase of 9.8% versus December 2020 due to short term loan of 150MUSD for the Punta Lomitas project. We have continued with the amortization calendar of our financial debt. Our Total Net Debt<sup>(1)</sup> / EBITDA (FY): 1.5x @ Dec/2021.

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

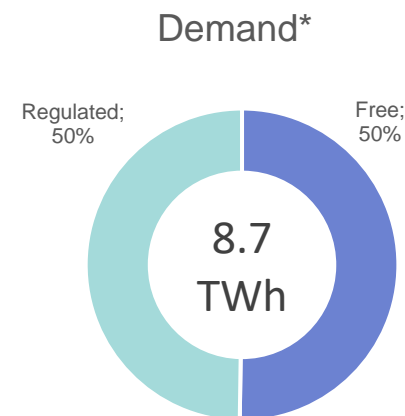
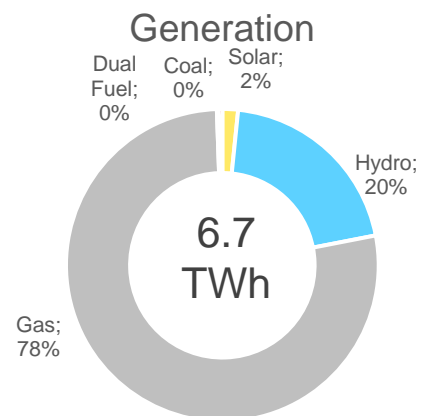
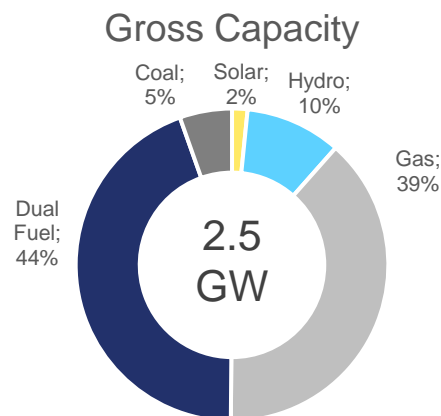
# INDUSTRY AND COMPANY HIGHLIGHTS

As of December 31, 2021

## SISTEMA ELECTRICO INTERCONECTADO NACIONAL



## ENGIE ENERGÍA PERÚ



## ENGIE Energía Perú

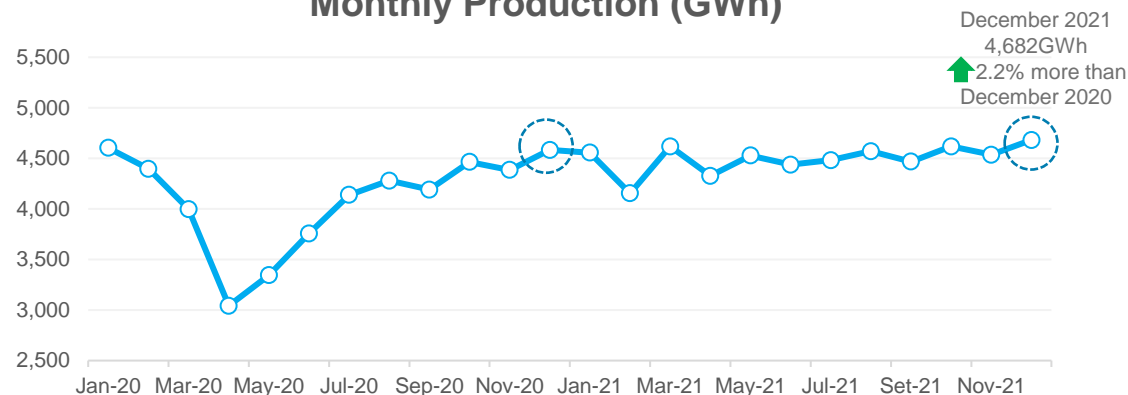
- **2nd largest** private energy company in Perú in terms of capacity
- **8.0 - yr.** average remaining PPA life

\* At transfer bus-bar \*\* Mkt share of efficient capacity  
Source: COES

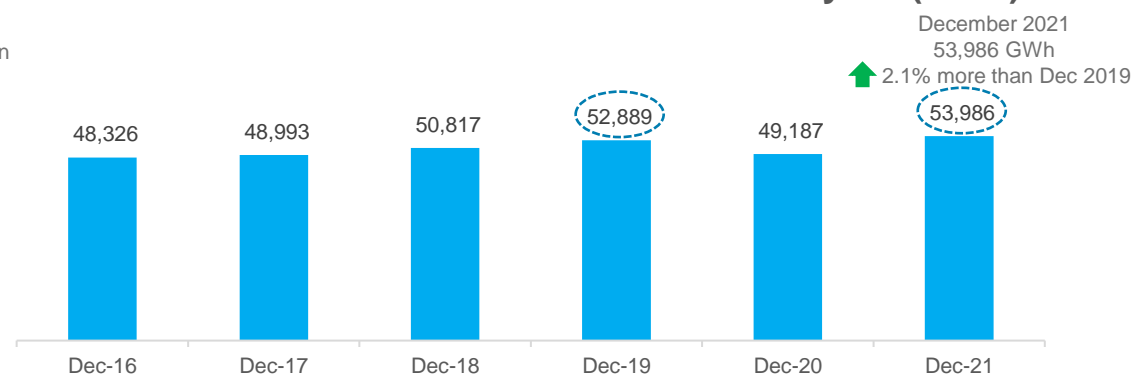
# ENERGY GENERATION MARKET IN PERU (1/2)

4Q 2021 higher production than 4Q 2020

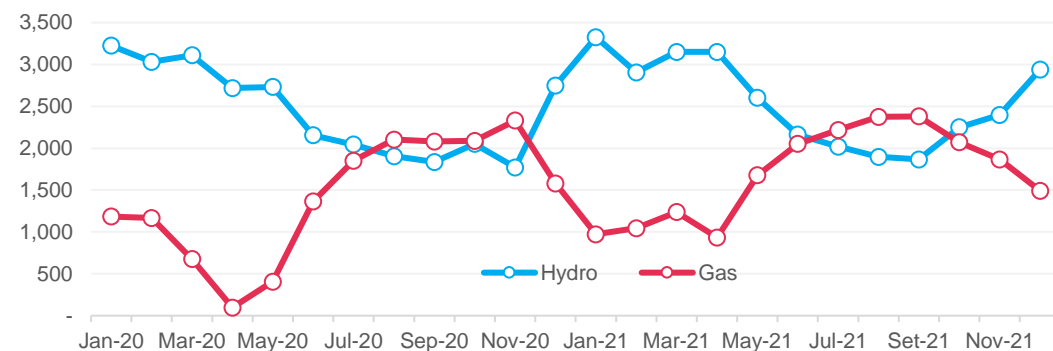
Monthly Production (GWh)



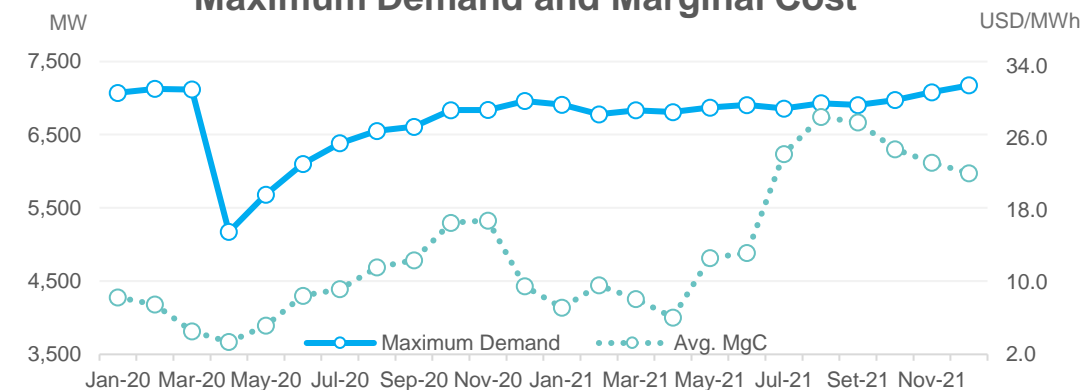
4Q Accumulated Generation in each year (GWh)



Monthly Production by Source (GWh)



Maximum Demand and Marginal Cost



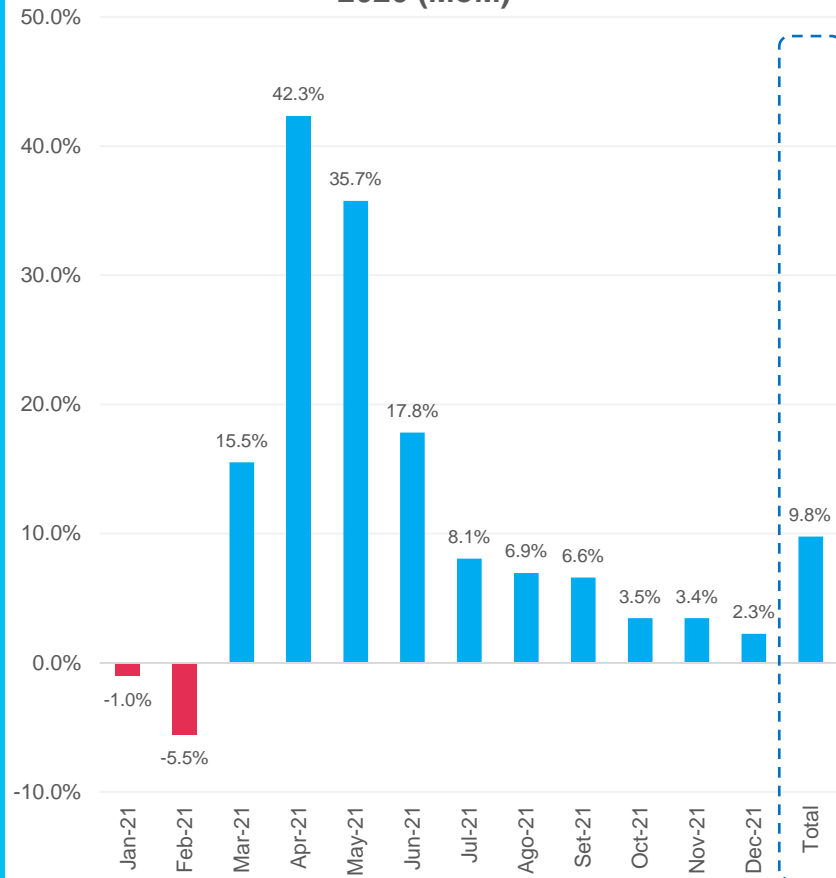
Source: COES / elaborated by ENGIE



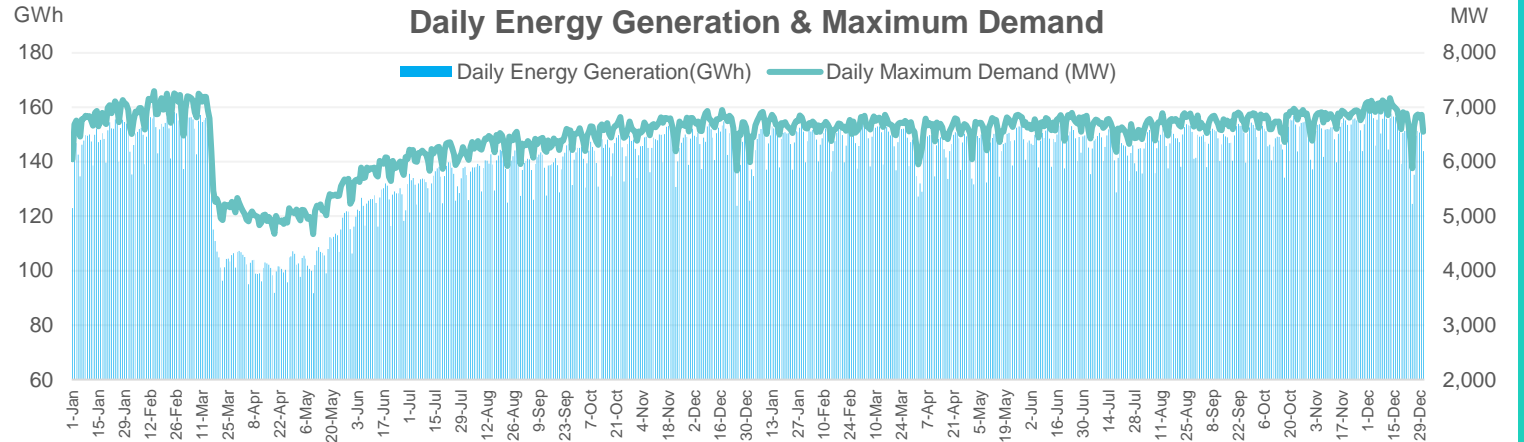
# ENERGY GENERATION MARKET IN PERU (2/2)

Electricity demand recovered in FY compared to 2020

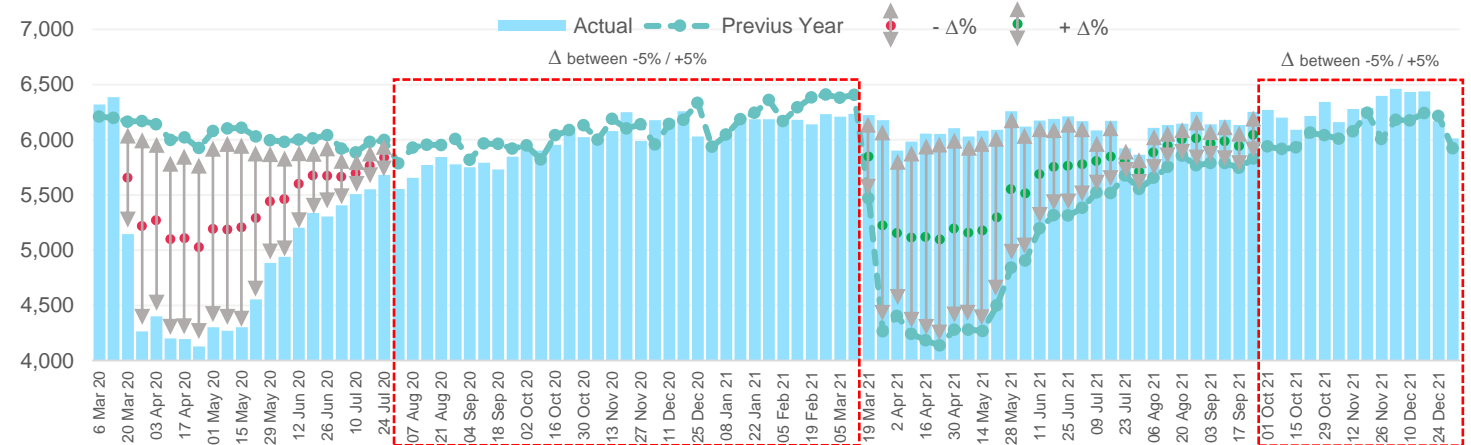
Electricity demand growth compared to 2020 (MoM)



Source: COES / elaborated by ENGIE

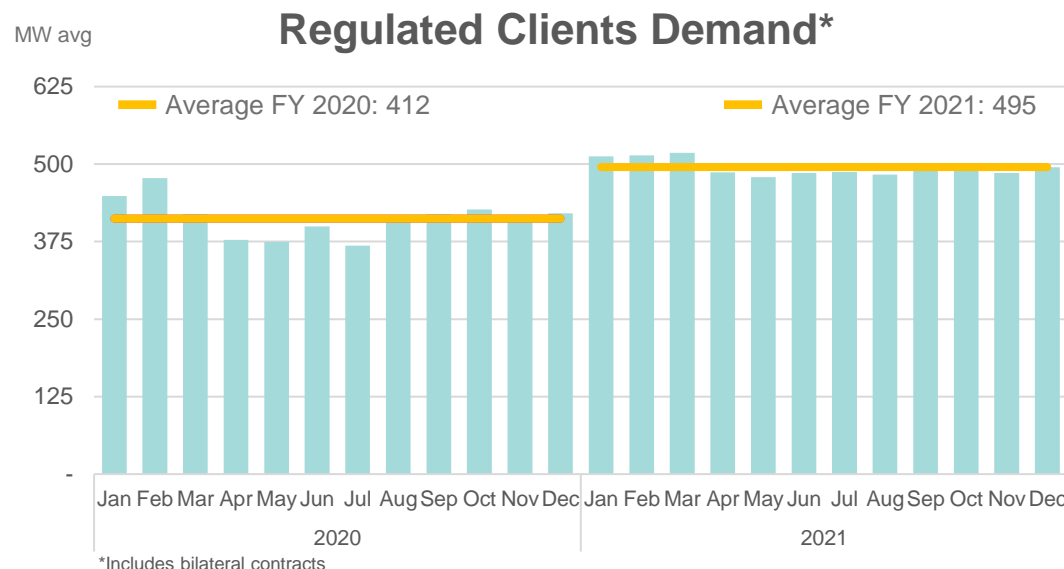
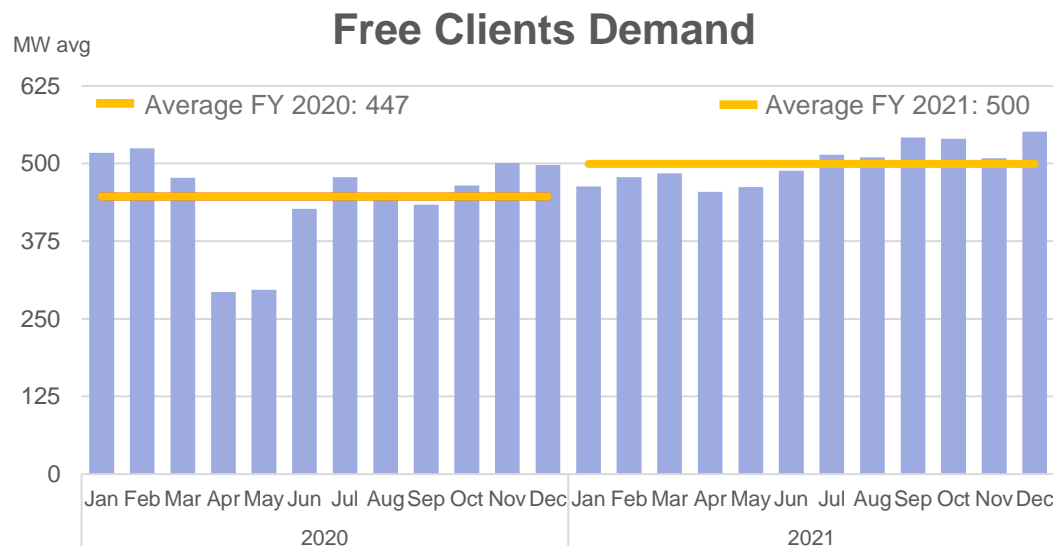


Evolution of weekly demand average (MW)



# COVID IMPACT IN OUR CLIENT'S DEMAND

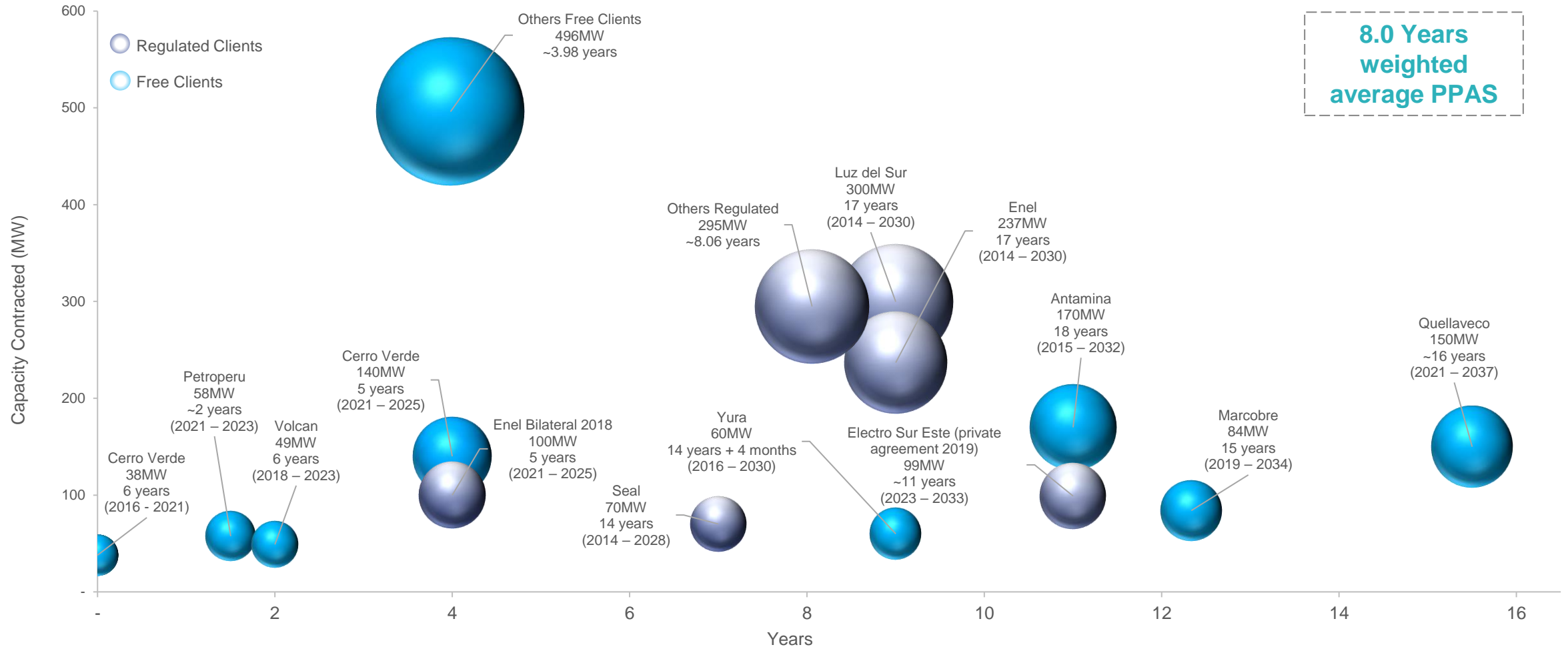
As of December 31, 2021



- Free clients demand has recovered its pre-COVID demand levels an effect also produced by new contracts. On average in December 2021, the consumption of free clients was around 551MW, approximately 53MW more than December 2020. The average for FY 2021 was 500MW, 12% higher than in FY 2020 (447MW).
- Regulated clients demand started its recovery as of July 2020. On average in December 2021, the consumption of regulated clients is around 495MW, approximately 75MW more than December 2020. The average for FY 2021 was 495MW, 20% higher than in FY 2020 (412MW).

Source: COES / elaborated by ENGIE

# DIVERSIFIED COMMERCIAL PORTFOLIO (>30MW)

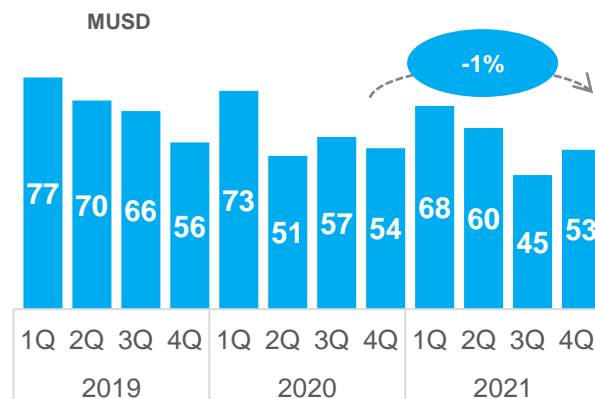


Note: i) In addition, we have two PPAs of 30 years and 7 year for 37 MW and 4MW respectively with Anglo American Quellaveco which have not been included in the graph, ii) Addendums with Distribution Companies not included in the graph, iii) 2019 fully contracted strong commercial strategy to maintain our efficient portfolio contracted.

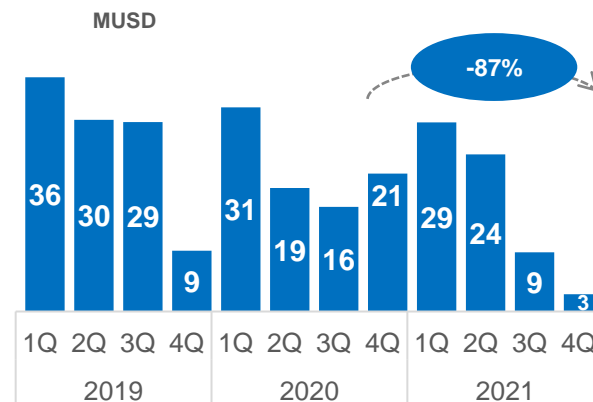
Source: Portfolio (>30MW) as of December 31, 2021

# MAIN FINANCIAL RESULTS 4Q 2021

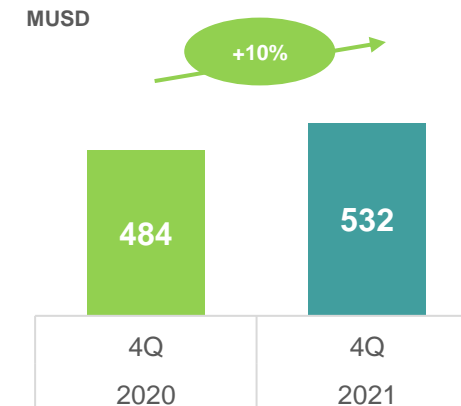
## EBITDA 4Q



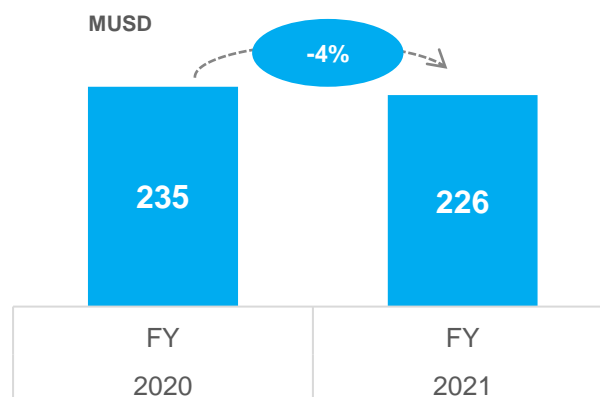
## Net Result 4Q



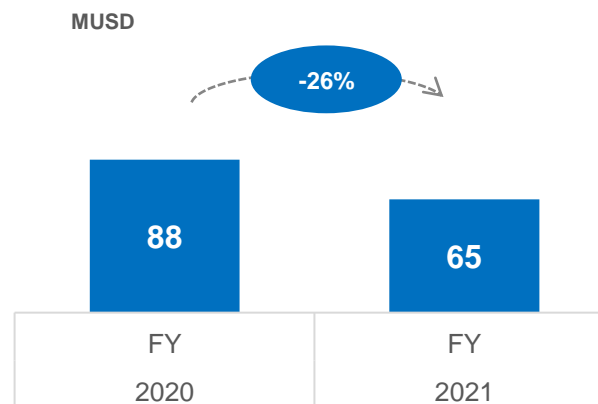
## Financial Debt



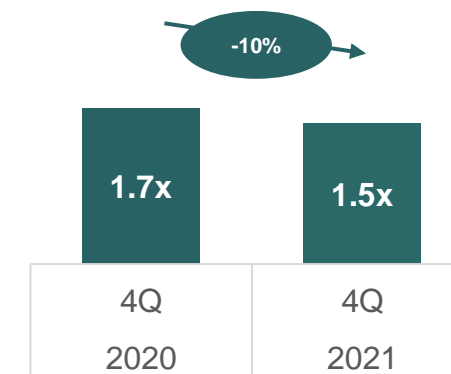
## EBITDA 12M



## Net Result 12M



## Total Net Debt / EBITDA (12M)



# EEP's GENERATION AND ENERGY BALANCE 4Q 2021

Higher Hydro generation in 4Q 2021 compared to 4Q 2020 and net buyer position in the spot market

GWh		4Q 2021		4Q 2020		Δ 4Q	FY 2021		FY 2020		Δ FY
Yuncán HPP	(H)	221	9%	147	7%	50%	821	9%	795	11%	3%
Quitaracsá HPP	(H)	148	6%	114	6%	30%	543	6%	460	6%	18%
Chilca1 CCGT	(T)	1,508	64%	1,476	74%	2%	4,655	53%	4,658	63%	0%
Chilca2 CCGT	(T)	90	4%	193	10%	-53%	545	6%	433	6%	26%
Ilo21 (Coal)	(T)	7	0%	13	1%	-45%	28	0%	13	0%	118%
Ilo31 (Cold Reserve)	(T)	2	0%	0	0%	305%	3	0%	1	0%	299%
Ilo41 (Nodo)	(T)	2	0%	6	0%	-69%	6	0%	7	0%	-7%
Intipampa	(S)	32	1%	32	2%	2%	109	1%	105	1%	4%
Auxiliaries and losses		-109	-5%	-66	-3%	64%	-204	-2%	-173	-2%	18%
NET GENERATION		1,902	81%	1,915	96%	-1%	6,506	74%	6,299	85%	3%
COES: NET		437	19%	70	4%	523%	2,266	26%	1,069	15%	112%
CLIENTS DEMAND		2,339	100%	1,985	100%	18%	8,773	100%	7,369	100%	19%

(H) Hydro    (T) Thermal    (S) Solar

# 2021 RESULTS

Results for 4Q 2021 presented growth compared to 4Q 2020 if we don't consider non recurrent events: +10.8% in terms of EBITDA and +2.3% in terms of Net Result.

(MUSD)	4Q 2021	4Q 2020	Δ 4Q	FY 2021	FY 2020	Δ FY
Revenues	144.3	126.4	14.2%	532.2	484.1	9.9%
<b>EBITDA*</b>	<b>53.1</b>	<b>53.6</b>	<b>-0.9%</b>	<b>225.7</b>	<b>234.7</b>	<b>-3.8%</b>
<b>Net Result</b>	<b>2.7</b>	<b>21.3</b>	<b>-87.4%</b>	<b>65.2</b>	<b>87.9</b>	<b>-25.9%</b>
Recurrent EBITDA**	59.4	53.6	10.8%	232.0	234.7	-1.1%
Recurrent Net Result**	21.7	21.3	2.3%	84.2	95.2	-11.5%
Financial Debt	532.0	484.4	9.8%	532.0	484.4	9.8%
Total Debt***	537.7	496.0	8.4%	537.7	496.0	8.4%
Total Net Debt	343.8	396.1	-13.2%	343.8	396.1	-13.2%
Total Net Debt / EBITDA 12m	1.5x	1.7x	-9.8%	1.5x	1.7x	-9.8%

EBITDA = Operating Income + Depreciation and Amortization +/- Sale of fixed assets and Provisions for impairment

\* EBITDA = Operating profit + Depreciation and Amortization +/- Fixed assets sales and impairment of fixed assets / The definition of EBITDA is in accordance with the policies of the Company and the ENGIE group

\*\* Does not include Non-core inventory and assets sale

\*\*\* Total Debt = Financial Debt + IFRS16



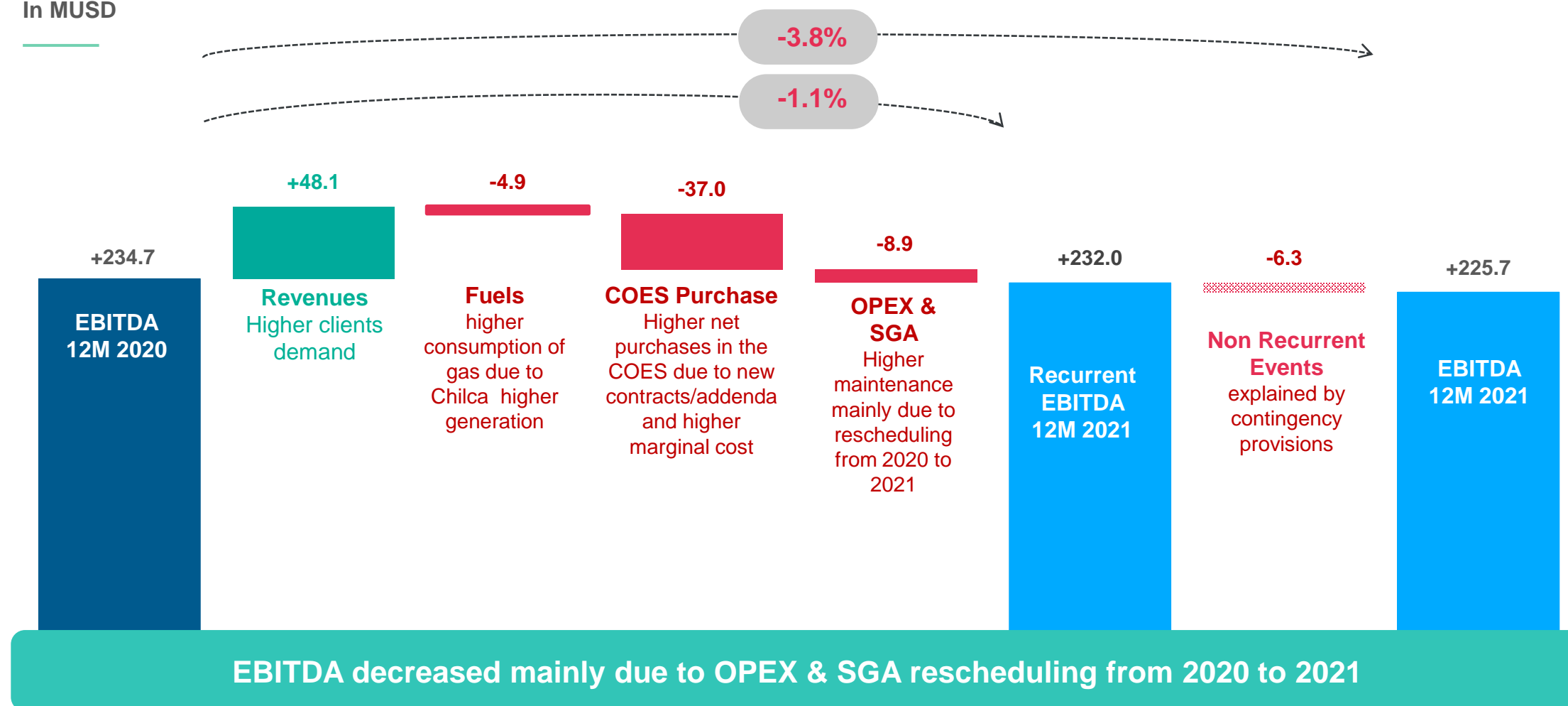


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# FINANCIAL UPDATE

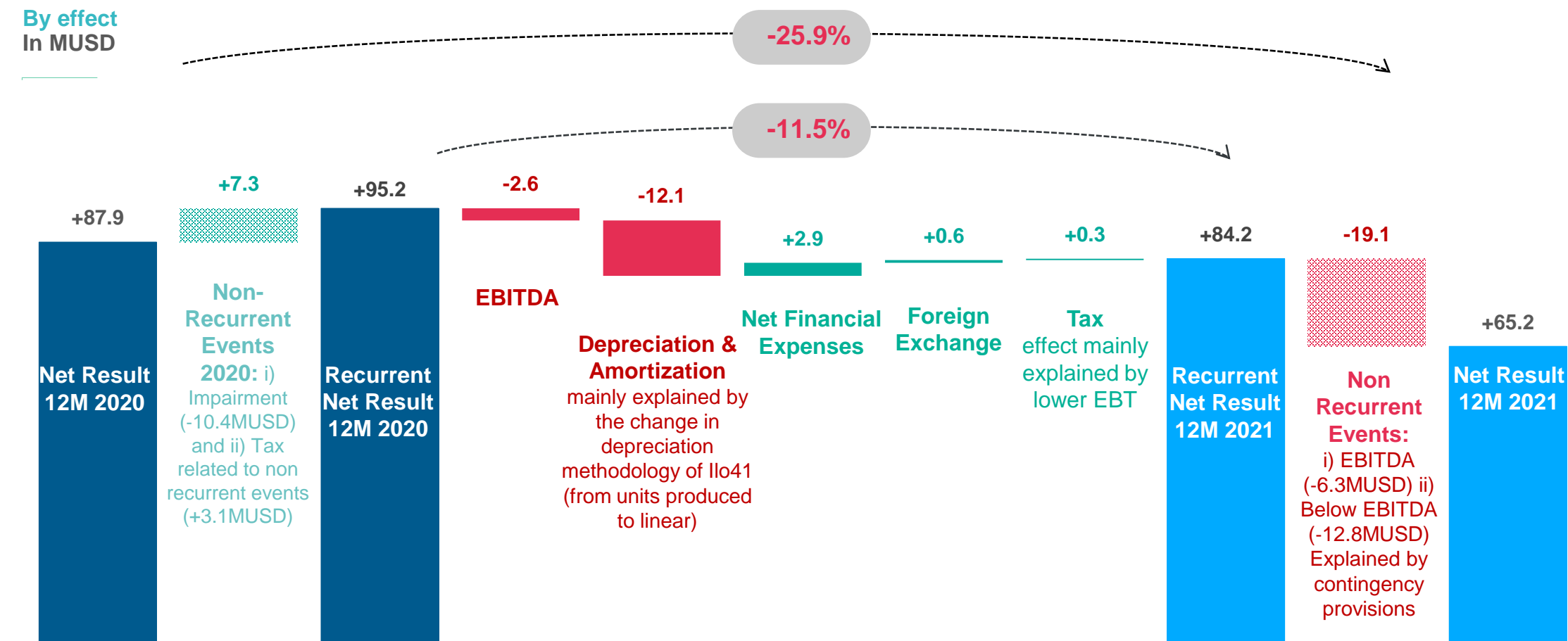
# EBITDA 2021 vs. 2020: -8.9 MUSD (-2.6 MUSD recurrent)

By effect  
In MUSD



# NET RESULT 2021 vs. 2020: **-22.7 MUSD (-11.0 MUSD recurrent)**

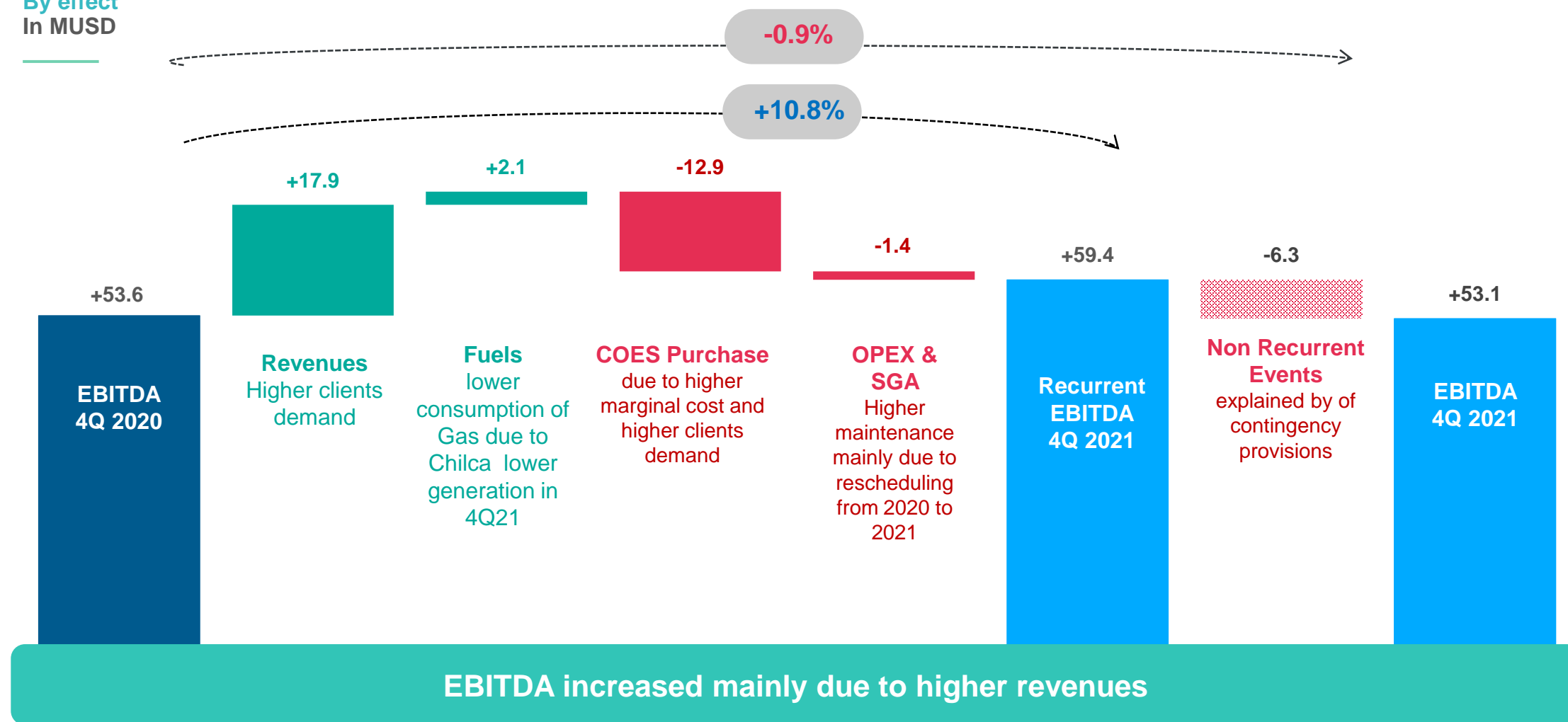
By effect  
In MUSD



Depreciation is the main variations for 2021 Net Result vs 2020

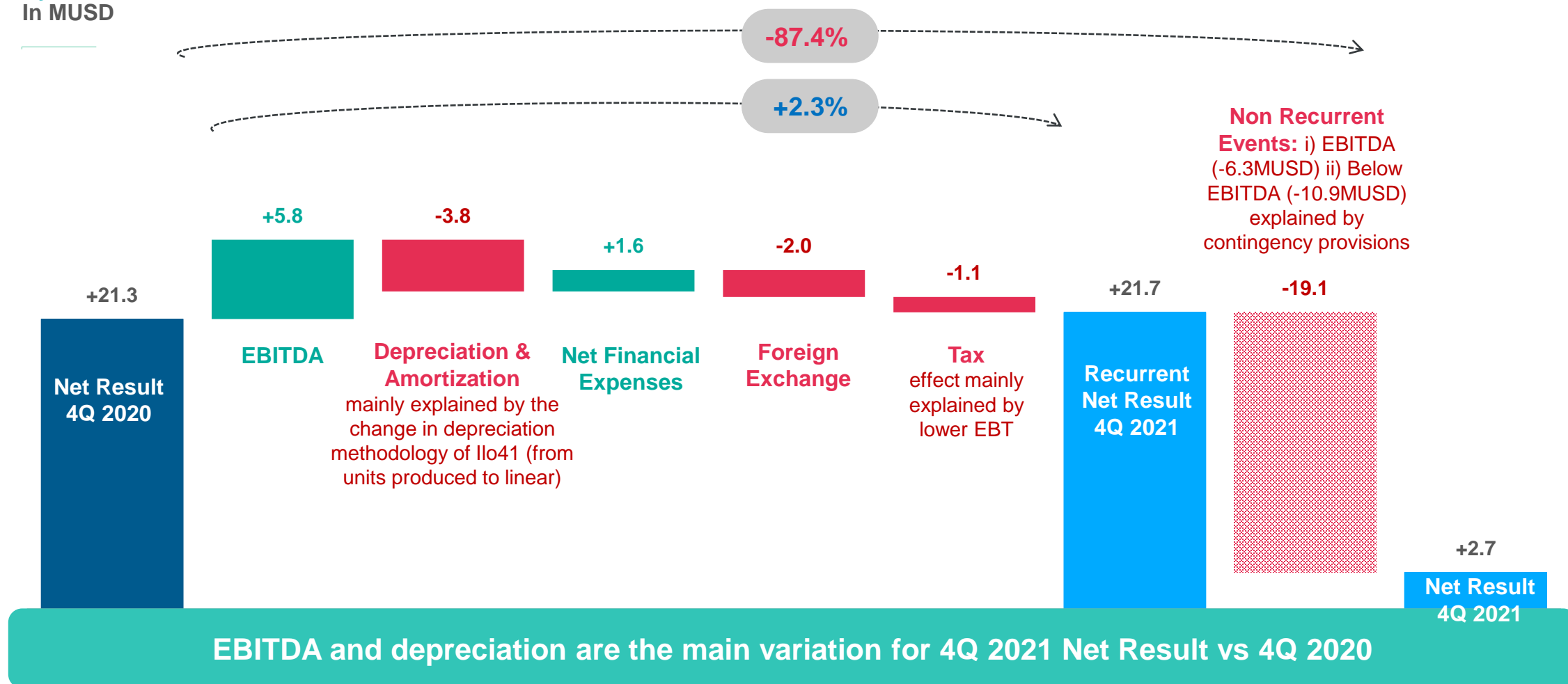
# EBITDA 4Q 2021 vs. 2020: -0.5 MUSD (+5.8 MUSD recurrent)

By effect  
In MUSD



# NET RESULT 4Q 2021 vs. 2020: -18.6 MUSD (+0.5 MUSD recurrent)

By effect  
In MUSD

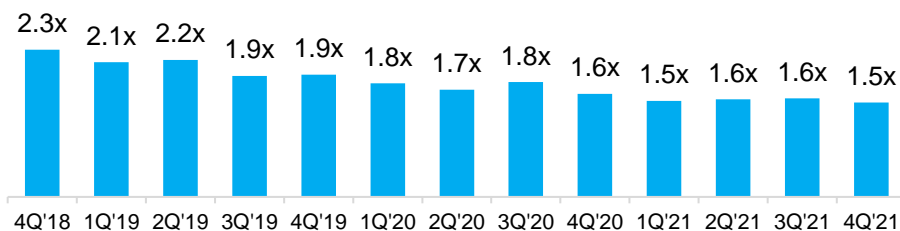


# SOLID FINANCIAL DISCIPLINE

Reducing leverage and strong credit rating

## Financial Net Debt / EBITDA

Net Debt/EBITDA	Financial Net Debt	EBITDA LTM
656	612	617
551	521	476
417	431	385
351	371	354
338	280	286
283	287	268
264	245	237
235	230	239
226	226	226



## Credit Rating – December 2021



FitchRatings

AAA.pe  
Stable

29/11/2021



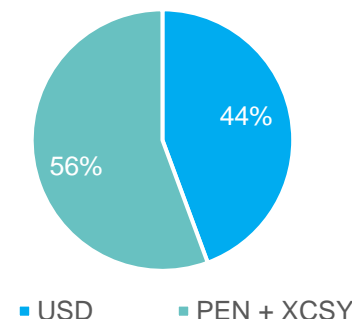
AAA.pe\*  
Stable

27/10/2021

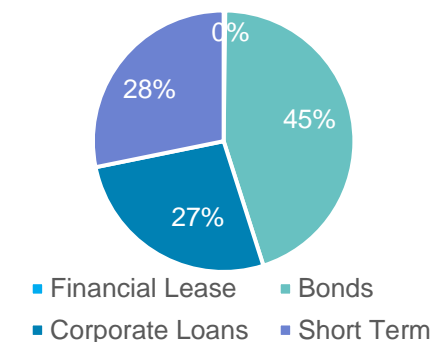
## Financial Debt Breakdown - As of December 2021

532 MUSD

### By Currency



### By Source



## Debt information

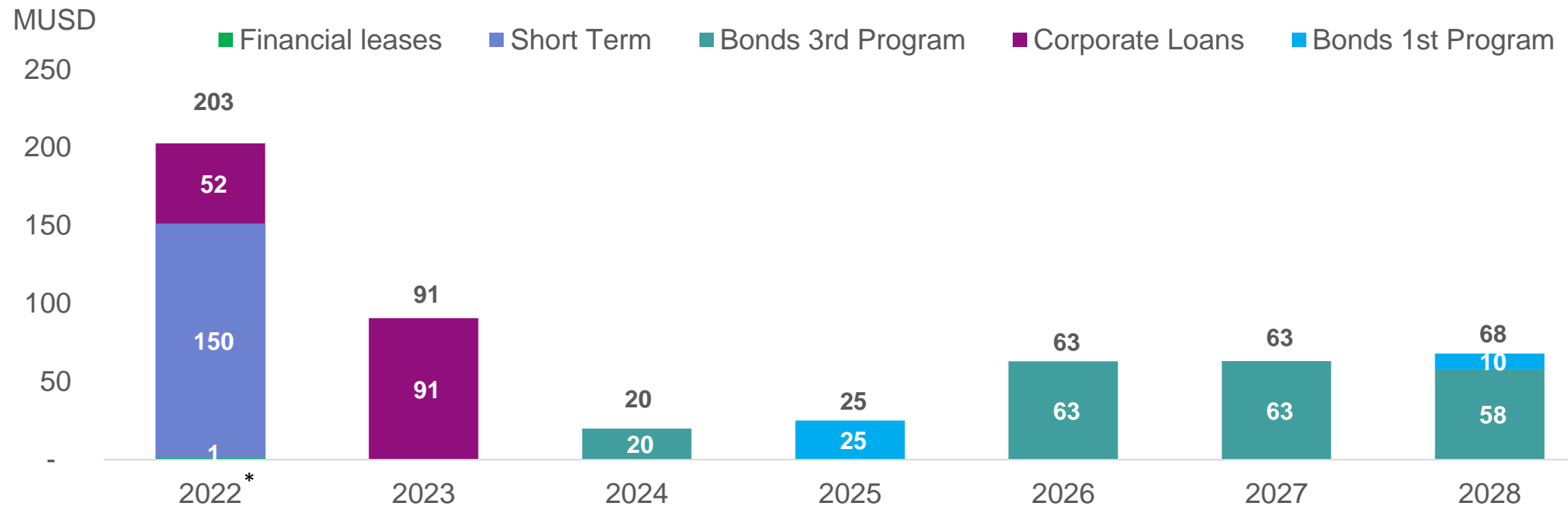
- In April 2021, the interest rates of both long-term corporate loans in soles were lowered from 4.50% and 4.65% to 2.39%.
- Short-term financing deal of 150MUSD at an average interest rate between 0.50% - 0.55% in order to finance part of the estimated investment for the construction of the Punta Lomitas wind power plant.
- In September 2021, a synthetic loan of 50MUSD was taken at a synthetic rate of 0.01%, it was used for the partial prepayment of a corporate loan of 100MUSD.
- During the last quarter of 2021, the majority of the financial lease debt was paid, only remaining ~1MUSD to be paid in 2022, which corresponds to Chilca Plus (combined and simple cycle).



# DEBT PROFILE

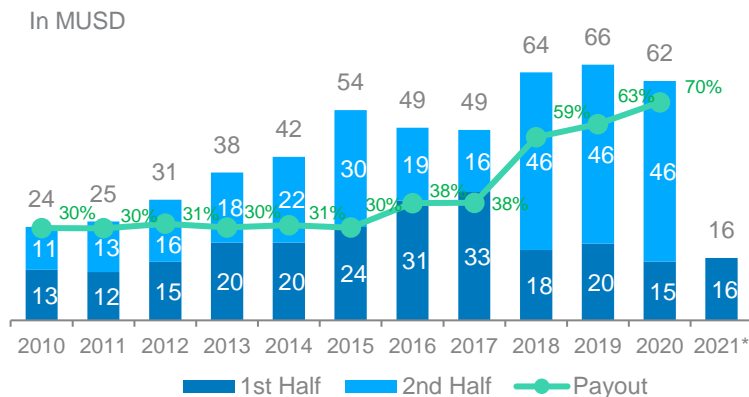
Constantly looking for optimization of existing debt

## Outstanding debt repayment



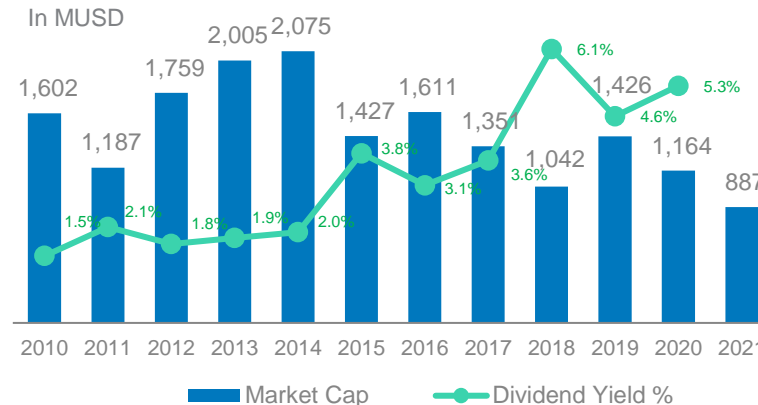
# SHAREHOLDER RETURN

DIVIDENDS PAID



\*The second half will be pay in April 2022

MARKET CAP &amp; DIVIDEND YIELD

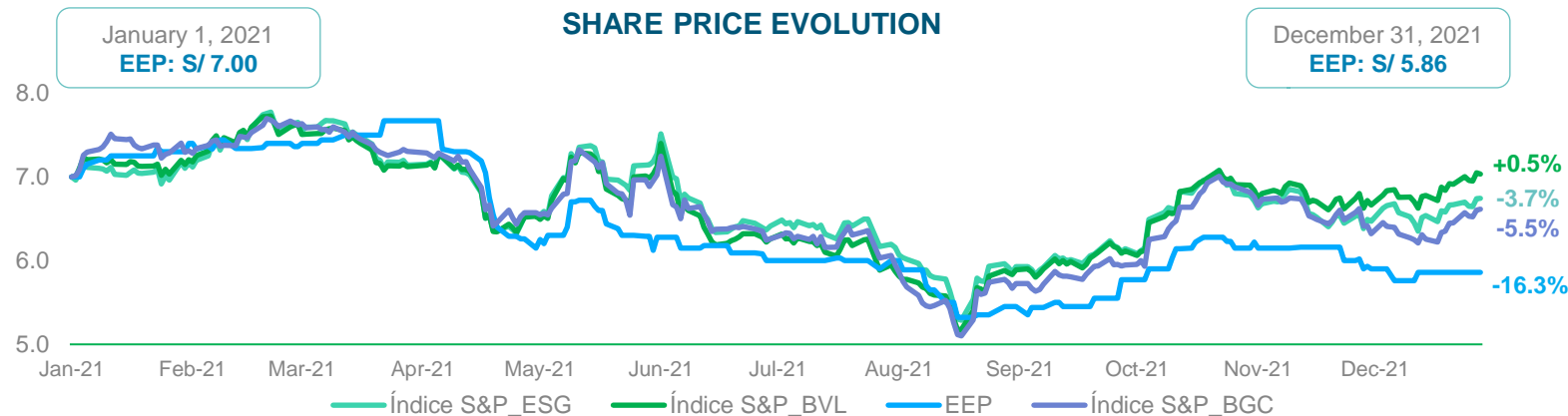


FINANCIAL MARKET DATA – DECEMBER 2021

Number of shares issued	601,307,011
Share price (PEN) – 31/12/2021	5.86
VWAP (3m) – (PEN)	6.03
52 week – high – (PEN)	7.67
52 week – low – (PEN)	5.32
Market Cap (MUSD)	887
Enterprise Value (EV) (MUSD)	1,225
EV / EBITDA	5.4x
Price to Book Value (P/B)	0.8x
Price / Earnings ratio (P/E)	13.6x
Daily avg. trading volume (Msh)	0.01

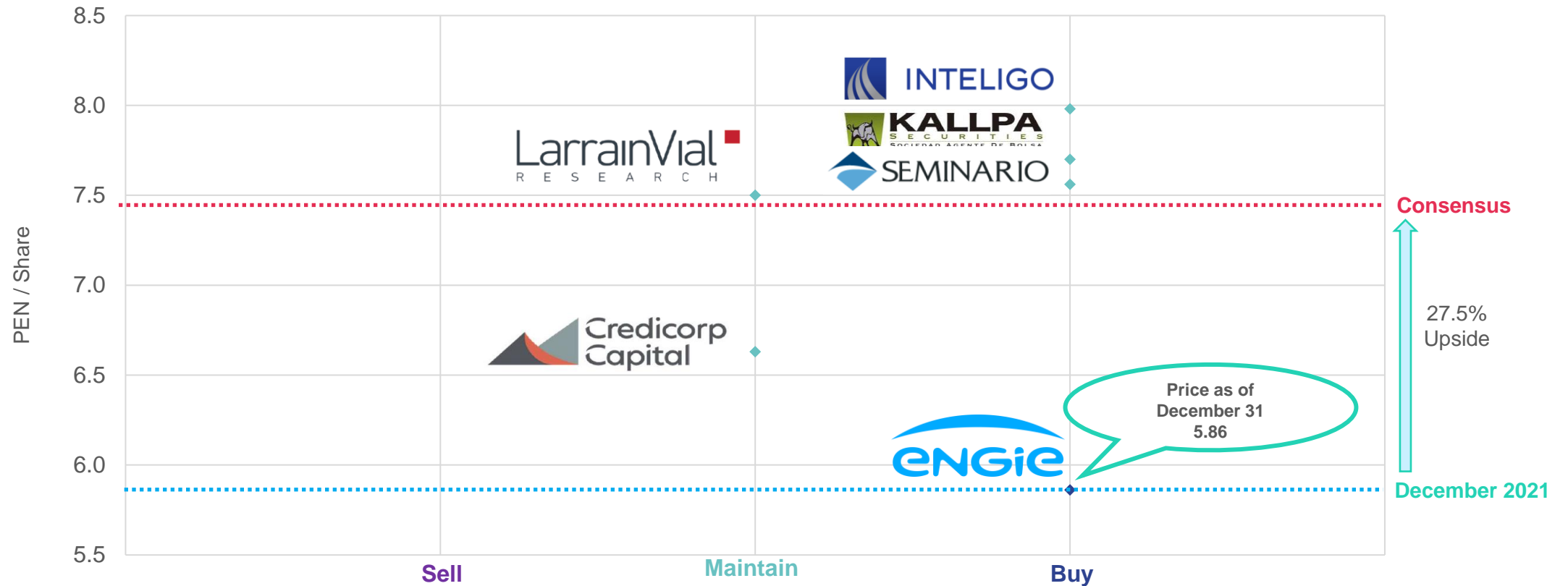
EV: Market Cap + Net Debt  
P/B: Market Cap / Book Value of Equity

SHARE PRICE EVOLUTION



Source: Bloomberg / elaborated by ENGIE

# EQUITY ANALYST VIEW



	Credicorp	Larrain	Kallpa	Inteligo	Seminario	Consensus
Target Price	6.63	7.50	7.70	7.98	7.56	7.47
Recommendation	Maintain	Neutral	Buy	Buy	Buy	
Date	January 2021	October 2021	January 2021	January 2022	October 2021	

# EEP OPERATIONS (2,496MW) & Projects (260MW)

## Chilca Complex

- ChilcaUno – (2006 – 2012) 852MW - Natural Gas
- ChilcaDos – (2016) 111MW - Natural Gas



THERMAL

## Ilo Complex

- Ilo41 (2016, Nodo) 610MW - Dual Fuel
- Ilo31 (2013, Cold Reserve) 500MW - Dual Fuel
- Ilo21 (2000) 135MW - Coal



THERMAL

## Quitaracsa (2015)

- Hydro 114MW



RENEWABLE

## Yuncán (2005)

- Hydro 134MW



RENEWABLE

## Punta Lomitas

- Under construction – COD 1Q 2023 – 260MW Wind Farm



RENEWABLE

## Intipampa (2018)

- Solar 40MW



RENEWABLE

# ENGIE ENERGÍA PERÚ OVERVIEW



2<sup>nd</sup> largest player in the country



Low Co2 generation base



Diversified & decentralized portfolio of generation sources



292.5 km of transmission lines



Value added customer solutions



24 years operating in the country & listed since 2005



Sponsored by a global leader, ENGIE\* S.A.

\*www.engie.com

# THANKS

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## FOR MORE INFORMATION ABOUT ENGIE ENERGIA PERU

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