

FIRST HALF RESULTS AS OF 30 JUNE 2019

CONTINUING DOUBLE DIGIT GROWTH OF ALL FINANCIAL INDICATORS

Revenues up 81% to €2.7 million, Gross Margin up to 41%, Project Backlog up 38% and Pipeline accelerating to €350 million confirm the growth trend of ENGIE Eps in a booming global market thanks to the full support and the more and more efficient integration within ENGIE.

2019 FIRST HALF KEY FIGURES

Revenues and Other Income amount to €2.7 million as of 30 June 2019, up 81% compared to the 2018 first half. Growth is mainly driven by the successful deployment of microgrids in Africa and Asia Pacific such as the Comoros, Somaliland and New Caledonia, reaching as of today a total of 50 customers in 25 countries across the globe.

As of the date of this Press Release, **Project Backlog** corresponds to €33.8 million, an increase of 38% compared to 28 September 2018, of which €24.1 million of final and irrevocable orders on an EPC basis, and €9.7 million of projects secured on a Power Purchase Agreements (PPA) basis, for which financing is currently under structuring and **Pipeline** increased by 43% compared to 28 September 2018, reaching €350 million.

Order intake in 2019 has reached 37.4MW, representing approximately €18.8 million.

Gross margin increased to 41%, compared to 26% in 2018 first half, mainly driven by a different revenue mix and despite an increase in project size.

Personnel costs increased by 42% reaching €3.1 million compared to the €2.2 million of 2018 first half due to the expected growth of the Company.

Other Operating Expenses increased by 45% amounting to €1.0 million compared to €0.7 million in first half 2018 mainly driven by the major commitment in R&D and perfectly in line with the planned growth of the internal organizational structure and the execution of ENGIE EPS Long Term Strategic Plan.

R&D investments amounted to €1.4 million, including expenses and capitalized amounts. These investments represent 52% of consolidated revenues and 31% of all fixed costs in perfect continuity with the well-known strong commitment of ENGIE EPS in R&D and innovation.

EBITDA loss amounts to €3.4 million in first half 2019 compared to the €2.8 million loss in the same period of 2018.

Net Financial Position at the end of June 2019 improved to € -2.0 million from € -13.2 million on 30 June 2018, mainly due to the €30 million capital increase completed on 6 August 2018, despite working capital exposure and continuous investments in R&D. In this respect, ENGIE Eps has been supported by Societe Generale, which in June 2019 approved an additional €7.5 million facility. In this context, ENGIE has confirmed its strong support for the new strategy, including ENGIE EPS in



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the scope of the Renewables Global Business Line and meeting ENGIE EPS' short term cash needs and working capital exposure in form of intercompany lending.

About ENGIE EPS

ENGIE EPS is part of the ENGIE group and specializes in microgrids and storage solutions that enable intermittent renewable sources to be transformed into a stable power source. Listed on Euronext Paris (EPS:FP), ENGIE EPS is listed in the CAC® Mid & Small and the CAC® All-Tradable indices. Its registered office is in Paris and conducts its research, development and manufacturing in Italy. Thanks to technology covered by 130 patents and applications, ENGIE EPS develops utility scale energy storage systems to stabilize electrical grids that are heavily penetrated by renewable sources in developed countries, and microgrids in islands and emerging economies to power off-grid areas at a lower cost than fossil fuels. More information on www.engie-eps.com.

About ENGIE

Our Group is a global reference in low-carbon energy and services. In response to the urgency of climate change, our ambition is to become the world leader in the zero-carbon transition "as a service" for our customers, in particular global companies and local authorities. We rely on our key activities (renewable energy, gas, services) to offer competitive turnkey solutions.

With our 160,000 employees, our customers, partners and stakeholders, we are a community of Imaginative Builders, committed every day to more harmonious progress.

Turnover in 2018: EUR 60.6 billion. 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 and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

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1.1 Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT (amounts in Euro)	30/06/2019	31/12/2018	30/06/2018
Revenues	2,626,522	15,540,960	1,428,893
Other Income	32,607	119,721	42,792
TOTAL REVENUES AND OTHER INCOME	2,659,129	15,660,681	1,471,685
Cost of goods sold	(1,592,391)	(10,983,399)	(1,094,152)
GROSS MARGIN FROM SALES	1,066,737,65	4,677,282,29	377,532,18
% on Revenues	41%	30%	26%
Personnel costs	(3,099,999)	(4,352,366)	(2,186,498)
Other operating expenses	(1,031,840)	(1,647,802)	(712,701)
Other costs for R&D and industrial operations	(288,288)	(3,279,710)	(248,793)
EBITDA excluding Stock Option and Incentive Plans expenses ⁽¹⁾	(3,353,390)	(4,602,596)	(2,770,459)
Amortization and depreciation	(1,487,957)	(1,655,407)	(634,923)
Impairment and write down	(419,686)	(289,038)	(63,166)
Non recurring income and expenses and Integration costs	(782,727)	(2,627,433)	(1,506,077)
Stock options and Incentive plans	(702,486)	(2,723,817)	(1,165,957)
EBIT	(6,746,245)	(11,898,290)	(6,140,582)
Net financial income and expenses	(165,573)	(692,014)	(797,998)
Revaluation of European Investment Bank warrants liabilities (IFRS 2) and other impacts of EIB loan prepayment	0	3,777,134	3,777,134
Income Taxes	758,275	78,532	53,163
NET INCOME (LOSS)	(6,153,543)	(8,734,637,72)	(3,108,281,78)
Attributable to:			
Equity holders of the parent company	(6,153,543)	(8,734,638)	(3,108,282)
Non-controlling interests	0	0	0
Basic earnings per share	(0,48)	(0,83)	(0,35)
Weighted average number of ordinary shares outstanding	12,766,860	10,525,521	8,816,135
Diluted earnings per share	(0,48)	(0,83)	(0,35)

⁽¹⁾ EBITDA excluding Stock Option and Incentive Plans expenses is not defined by IFRS. It is defined in notes 3.8 and 4.6.

1.2 Consolidated Statement of Other Comprehensive Income

OTHER COMPREHENSIVE INCOME (amounts in Euro)	30/06/2019	31/12/2018	30/06/2018
NET INCOME (LOSS)	(6,153,543)	(8,734,638)	(3,108,282)
Exchange differences on translation of foreign operations and other differences	(4,437)	(156)	8,484
Actuarial gain and (losses) on employee benefits	(106,488)	(43,733)	5,867
Other comprehensive income (loss) for the year, net of tax	(110,924)	(43,889)	14,350
Total comprehensive income for the year, net of tax	(6,264,467)	(8,778,527)	(3,093,932)
Attributable to Equity holders of the parent company	(6,264,467)	(8,778,527)	(3,093,932)

1.3 Consolidated Balance Sheet

ASSETS (amounts in Euro)	30/06/2019	31/12/2018	30/06/2018
Property, plant and equipment	3,238,849	1,294,653	732,618
Intangible assets	7,988,719	7,986,470	6,723,850
Investments in entities accounted using the equity method	996	996	
Other non current financial assets	143,227	143,227	74,287
TOTAL NON CURRENT ASSETS	11,371,792	9,425,346	7,530,755
Trade and other receivables	8,855,916	8,164,968	2,171,071
Inventories	3,153,814	3,052,853	8,942,062
Other current assets	3,181,856	1,981,965	1,154,696
Current financial assets	435,500	350,000	0
Cash and cash equivalent	4,423,931	10,860,527	3,900,009
TOTAL CURRENT ASSETS	20,051,017	24,410,314	16,167,838
TOTAL ASSETS	31,422,809	33,835,660	23,698,593
EQUITY AND LIABILITIES (amounts in Euro)	30/06/2019	31/12/2018	30/06/2018
Issued capital	2,553,372	2,553,372	1,915,029
Share premium	48,147,696	48,843,750	20,550,878
Other Reserves	4,603,320	4,932,184	5,753,829
Retained Earnings	(38,298,766)	(30,296,289)	(30,297,493)
Profit (Loss) for the period before Revaluation of European Investment Bank warrants liabilities (IFRS 2)	(6,153,543)	(12,511,771)	(6,885,416)
Total Equity before European Investment Bank variation (IFRS 2)	10,852,078	13,521,244	(8,963,172)
Revaluation of European Investment Bank warrants liabilities (IFRS 2) - Impact on Net Profit	0	3,777,134	3,777,134
TOTAL EQUITY	10,852,078	17,298,378	(5,186,038)
Severance indemnity reserve and Employees' benefits	5,047,361	4,226,240	2,075,652
Non current financial liabilities	4,704,560	1,810,167	2,313,179
Other non current liabilities	1,619,796	0	0
Non current deferred tax liabilities	16,494	16,494	61,890
TOTAL NON CURRENT LIABILITIES	11,388,211	6,052,901	4,450,721
Trade payables	4,310,379	5,513,949	3,952,702
Other current liabilities	3,149,166	2,709,845	5,658,747
Current financial liabilities	1,722,975	2,240,696	14,822,462
Income tax payable	0	19,892	0
TOTAL CURRENT LIABILITIES	9,182,519	10,484,381	24,433,911
TOTAL EQUITY AND LIABILITIES	31,422,809	33,835,660	23,698,593

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
Net Equity as of 31 December 2017	1,687,925	19,451,395	6,604,909	(173,645)	(20,198,389)	(5,923,291)	1,448,905	(3,086,219)	(1,637,314)
IFRS 15 first time adoption as at 1 January 2018					(1,074,563)		(1,074,563)		(1,074,563)
Previous year result allocation	0	0		0	(9,009,510)	5,923,291	(3,086,219)	3,086,219	0
Stock option and warrants	0	0	(1,453,787)		0	0	(1,453,787)		(1,453,787)
Shareholder's capital increase	865,446	29,392,355		0	0	0	30,257,801		30,257,801
Other movements				(1,560)	(13,671)		(15,231)		(15,231)
Loss for the period	0	0		0	0	(12,511,771)	(12,511,771)	3,777,134	(8,734,638)
Total comprehensive income	0	0	0	(43,733)	(156)	0	(43,889)	0	(43,889)
Net Equity as of 31 December 2018	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)	0
Stock option and warrants			(181,831)				(181,831)		(181,831)
Shareholder's capital increase							0		0
Other movements		(696,055)		(12,841)	708,895		(1)		(1)
Loss for the period						(6,153,543)	(6,153,543)		(6,153,543)
Total comprehensive income	0	0		(106,488)	(4,437)	0	(110,926)	0	(110,926)
Net Equity as of 30 June 2019	2,553,372	48,147,695	4,969,291	(365,971)	(38,298,766)	(6,153,543)	10,852,078	0	10,852,078

1.5 Consolidated Statement of Cash Flows

CASH FLOW STATEMENT (amounts in Euro)	30/06/2019	31/12/2018	30/06/2018
Net Income or Loss	(6,153,543)	(8,734,638)	(3,108,282)
Non-cash adjustment to reconcile profit before tax to net cash flows	0	(357,655)	0
Revaluation of European Investment Bank warrants liabilities (IFRS 2) and other impacts of EIB loan prepayment	0	(3,777,134)	(3,777,134)
Amortisation and depreciation	1,487,957	1,655,407	634,923
Impairment and write down	419,686	289,038	63,166
Stock option and incentive plans impact	702,486	(1,466,296)	643,962
Defined Benefit Plan	319,914	443,411	147,364
Non-cash variation in bank debts	0	488,338	88,904
Working capital adjustments			
Decrease (increase) in tax assets	(318,851)	719,544	714,203
Decrease (increase) in trade and other receivables and prepayments	(1,976,338)	(4,362,766)	5,410,135
Decrease (increase) in inventories	(100,961)	1,780,617	(4,108,592)
Increase (decrease) in trade and other payables	(1,203,826)	3,224,791	2,340,922
Increase (decrease) in SARs Liability	(289,110)	0	0
Increase (decrease) in non current assets and liabilities	113,925	2,686,501	(820,065)
Net cash flows from operating activities	(6,998,662)	(7,410,842)	(1,770,494)
Investments			
Net Decrease (Increase) in intangible assets	(1,174,207)	(3,137,602)	(992,234)
Net Decrease (Increase) in tangible assets	(208,878)	(780,971)	(81,199)
Net Decrease (Increase) due to IFRS 16 FTA	(2,051,318)	0	0
Net cash flows from investments activities	(3,434,402)	(3,918,573)	(1,073,433)
Financing			
Increase (decrease) in bank debts	3,996,468	(12,304,402)	1,179,811
Shareholders cash injection	0	30,257,801	1,326,586
Investments in company accounted for using the equity method	0	(996)	0
Net cash flows from financing activities	3,996,468	17,952,403	2,506,397
Net cash and cash equivalent at the beginning of the period	10,860,527	4,237,540	4,237,540
NET CASH FLOW FOR THE PERIOD	(6,436,596)	6,622,988	(337,530)
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,423,931	10,860,527	3,900,009