

2021 Half-year results

July 30, 2021

Philippe Knoche, Chief Executive Officer
David Claverie, Chief Financial Officer



Agenda

1. Key messages
2. Results
3. Outlook
4. Q&A

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Key messages



Positive results despite a loss-making Back End sector

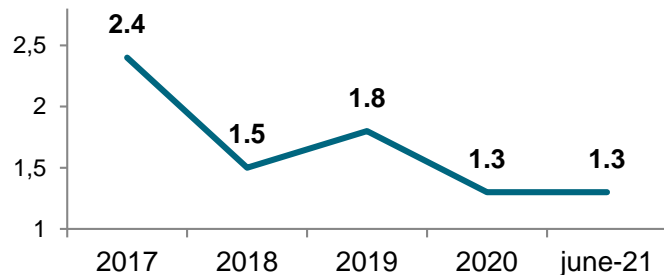
- **All facilities were in operation** at the end of June, after Covid-related stoppages at the Cigar Lake mine and the McClean Lake plant in Canada between January and **May**
- **Growth in revenue** (+5.6% LFL) **to €1.9 bn**
- **EBITDA stable at €415 M**, penalized by the Back End sector
- **Net income attributable to owners of the parent of +€316 M** benefiting from a good return on earmarked end-of-lifecycle assets
- **Adjusted net income*** at **-€26 M** still penalized by the effects of Covid on the Canadian mining sites
- **Net cash flow from company operations of +€334 M**
- **Group net debt down to €1.8 bn** compared to the end of December 2020

* Indicator, reflecting Orano's industrial performance independently of the impact of the financial markets and regulatory changes related to end-of-lifecycle commitments

Our Safety and Security fundamentals: improved results

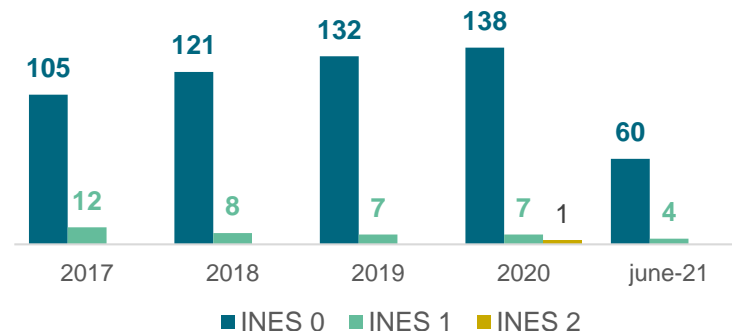
Occupational safety

- Frequency rate of workplace accidents with lost time

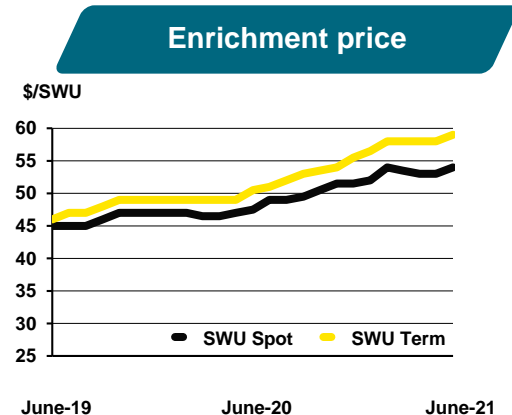
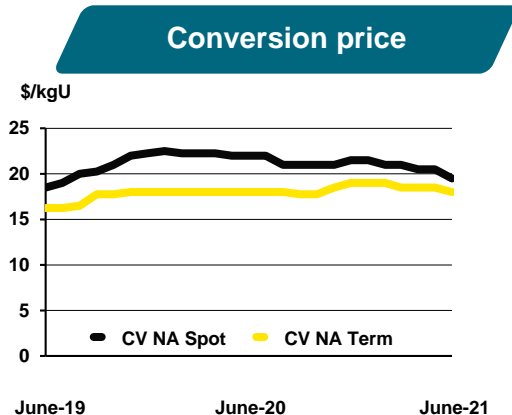
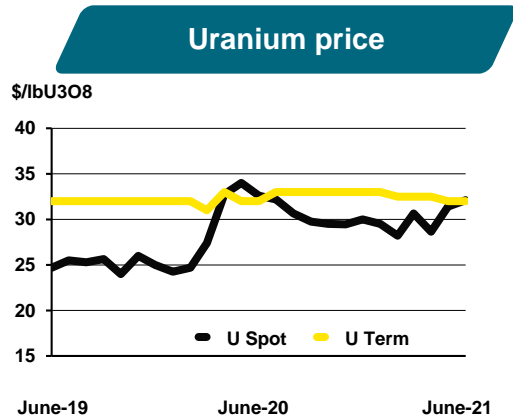


Nuclear safety

- Number of INES 0 - INES 1 and INES 2 events



Change in our markets



Source: UxC

Good commercial activity

Sales contracts

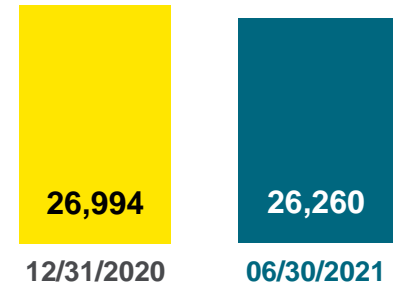


Almost two-thirds of new orders concern contracts for natural uranium supply and enrichment and conversion services in the United States, Europe and Asia



Backlog *

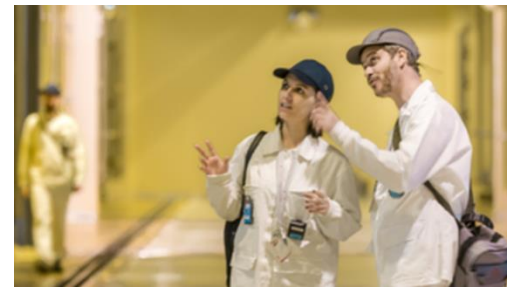
Over 7 years of revenue



* in millions of euros

Our purpose

To develop know-how in the transformation and control of nuclear materials for the climate, for a healthy and resource-efficient world, today and tomorrow¹.



¹ - Purpose communicated on April 27, 2021

Our commitments by 2030



Community

Be engaged and responsible locally in our environment

- Regional roots
- Second life of sites
- Eco-design



Climate

Contribute to carbon neutrality

- Reduction of our carbon footprint
- Nuclear acceptability



Competencies

Mobilize proud and committed employees who embody our purpose

- Professional and personal development
- Diversity and inclusion
- Innovation



Customer growth

Innovate to preserve resources and protect health

- Recycling
- Anti-cancer treatments
- Medical, industrial and research isotopes



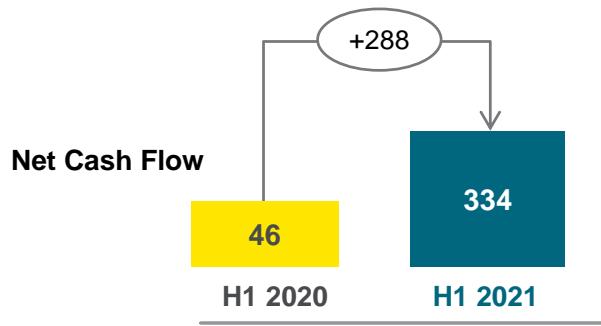
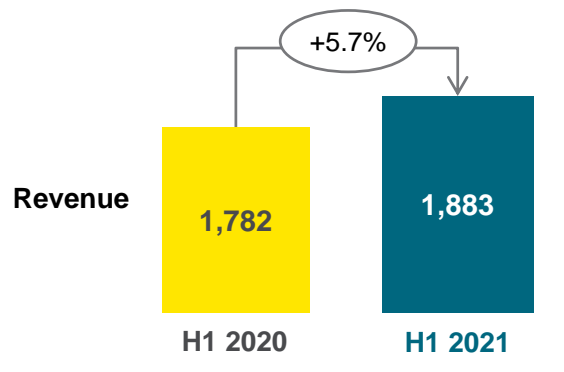
Cash

Operate efficiently and reduce our footprint

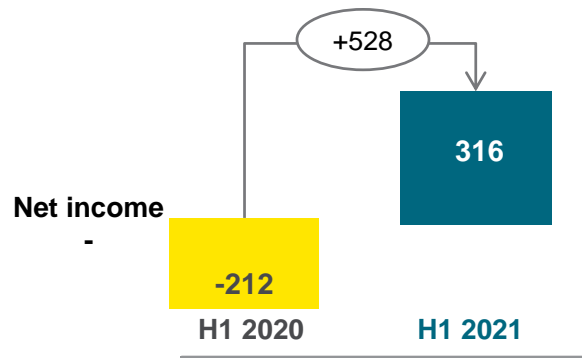
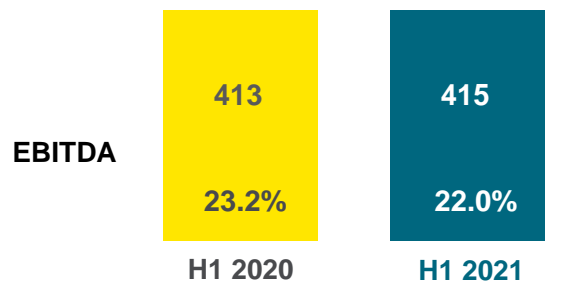
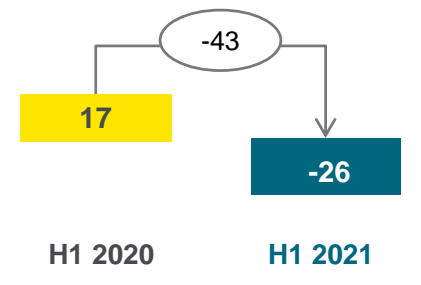
- Efficiency
- Reduction of non-recycled waste

Key figures at June 30, 2021

In millions of euros



Adjusted net income (*)



2

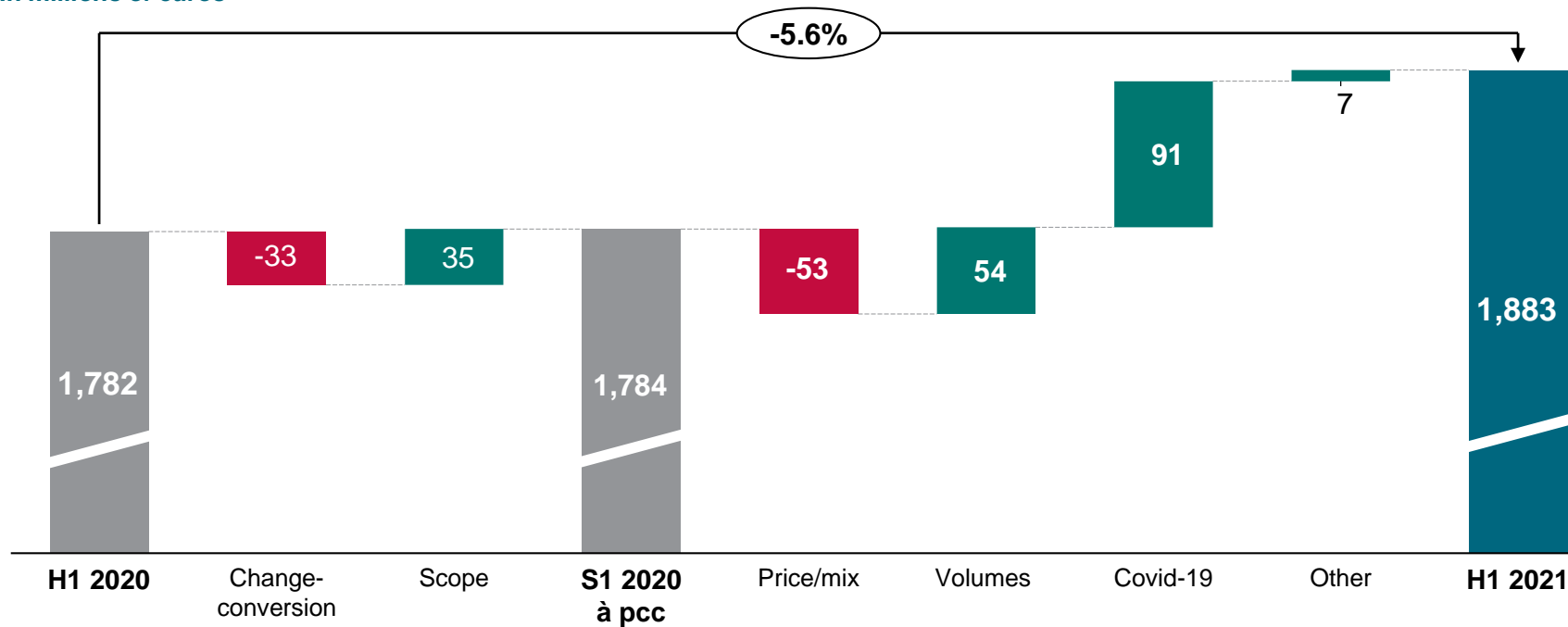
Results at June 30, 2021

a. Statement of income



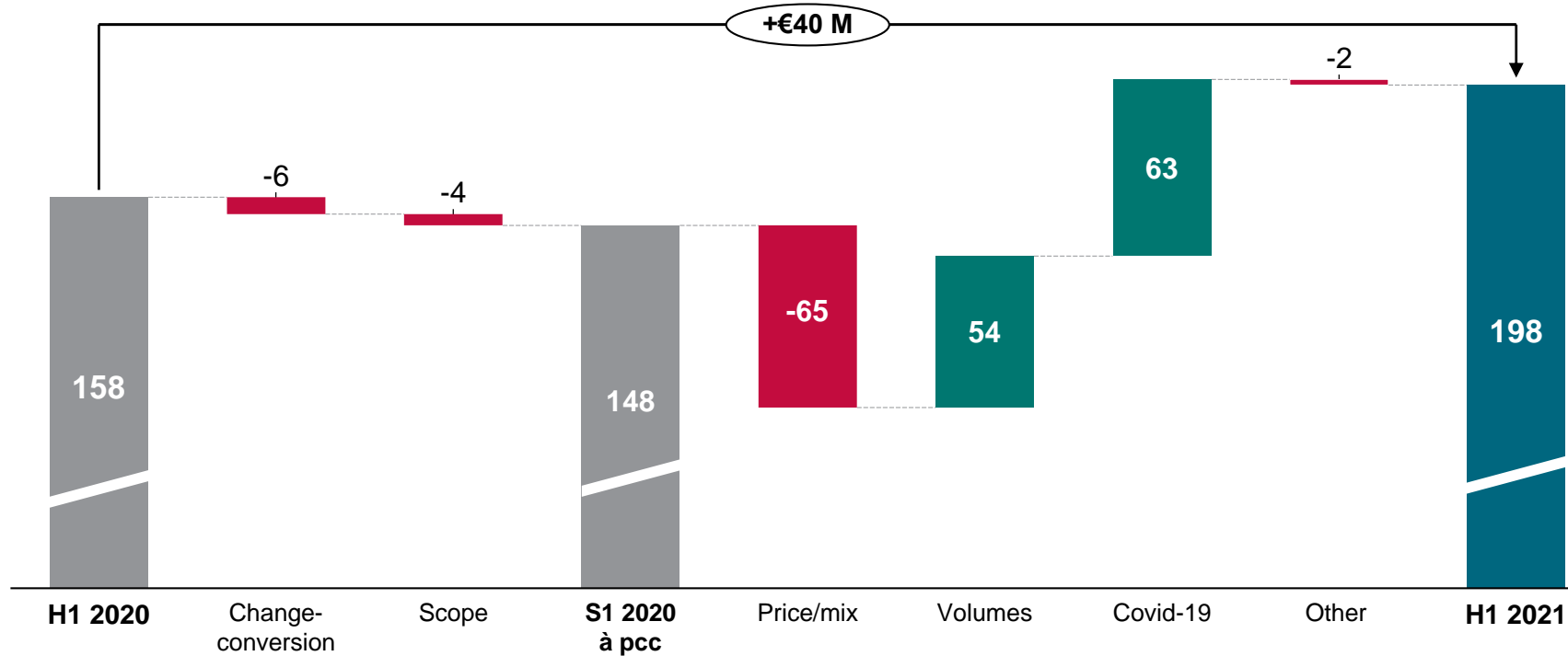
Recovery in revenue growth

In millions of euros



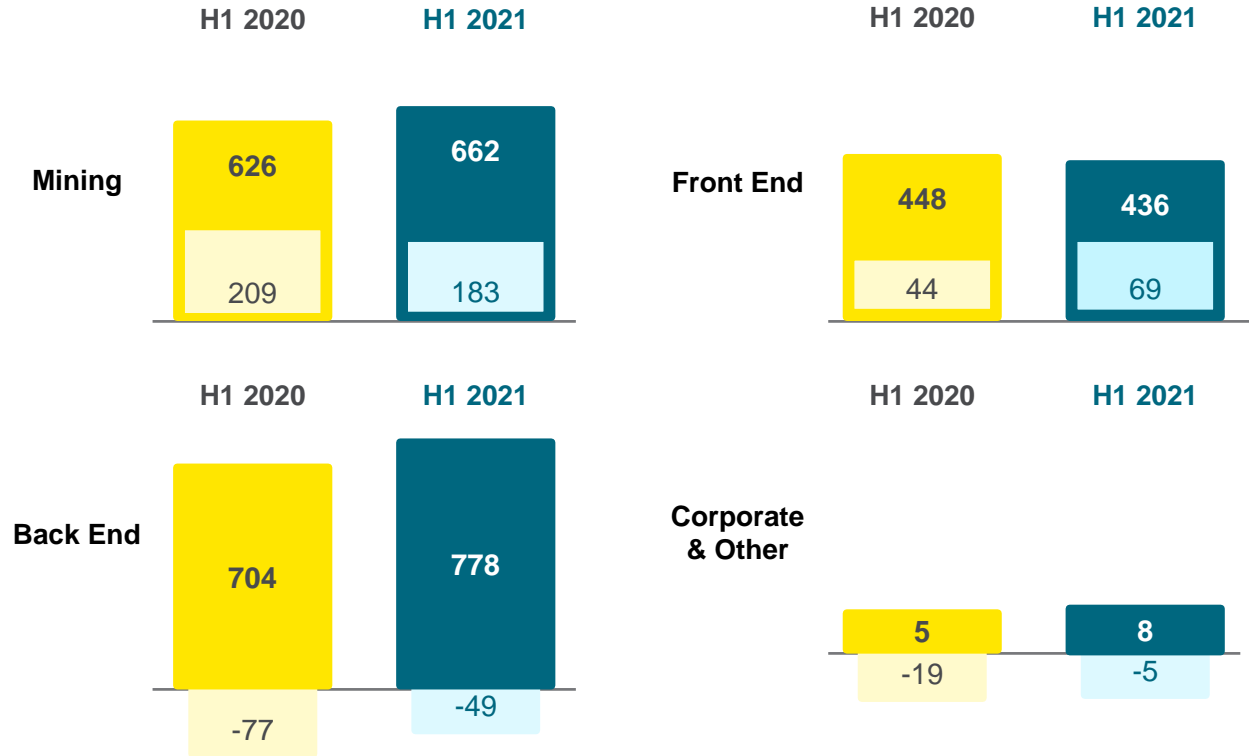
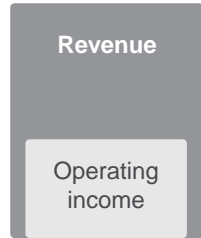
Improved operating income with lower impact from Covid

In millions of euros



Change in revenue and operating income by business

In millions of euros
(*)



Adjusted net income*

In millions of euros	H1 2020	H1 2021	Change
Operating income	158	198	+40
Share in net income of joint ventures and associates	5	5	-
Adjusted net financial income	(117)	(181)	-64
Adjusted taxes	(15)	(14)	+1
Net income attributable to non-controlling interests	(14)	(34)	-20
Adjusted net income attributable to owners of the parent	17	(26)	-43

* Performance indicator, reflecting Orano's industrial performance independently of the impact of the financial markets and regulatory changes related to end-of-lifecycle commitments.

Transition from adjusted net income to reported net income

In millions of euros	H1 2020	H1 2021	Change
Adjusted net income attributable to owners of the parent	17	(26)	(43)
<i>Undiscounting of end-of-lifecycle liabilities</i>	<i>(142)</i>	<i>(133)</i>	<i>+9</i>
<i>Impact of change in rate on end-of-lifecycle operations</i>	<i>177</i>	<i>(65)</i>	<i>-242</i>
<i>Return on earmarked assets</i>	<i>(264)</i>	<i>555</i>	<i>+819</i>
Total adjustments in Financial Income	(229)	357	+586
Effect of tax adjustments	(0)	(15)	-15
Reported net income attributable to owners of the parent	(212)	316	+528

2

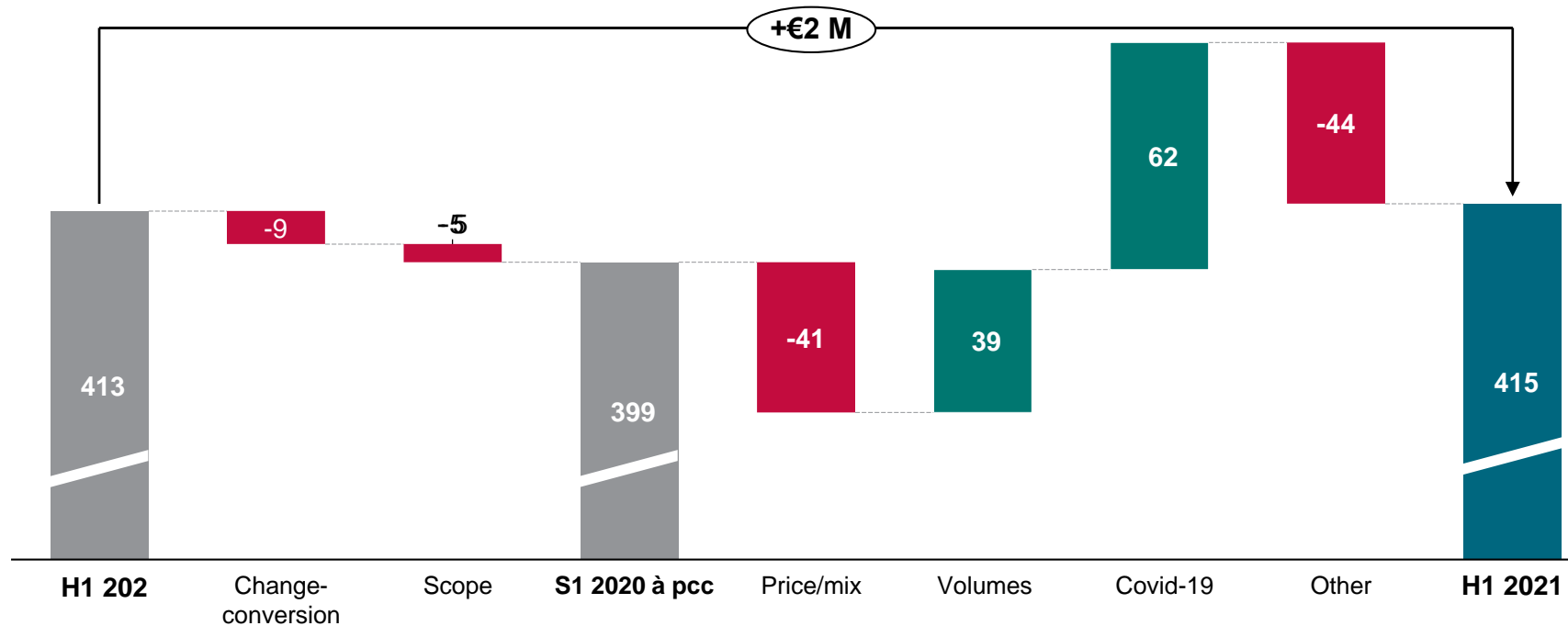
Results at June 30, 2021

b. Cash flow



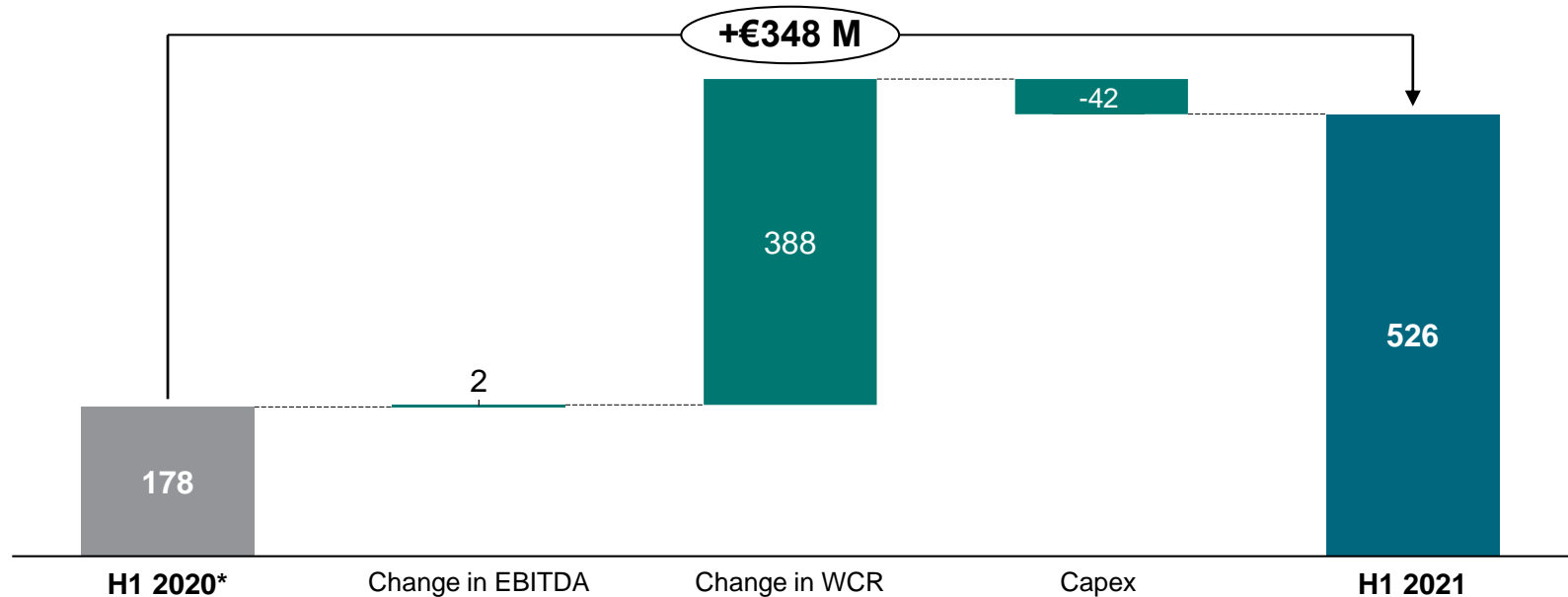
EBITDA stable but affected by a weaker performance in Recycling

In millions of euros



Improved operating cash flow driven by a strong contribution from the change in WCR

In millions of euros

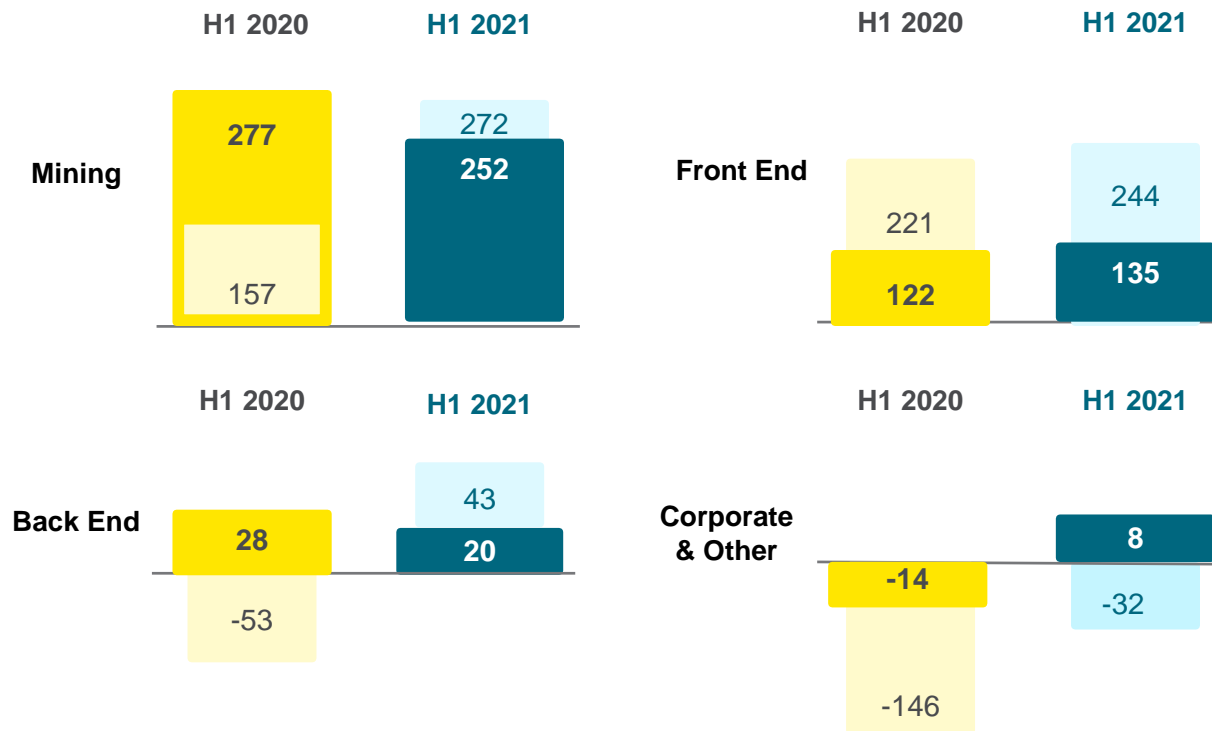
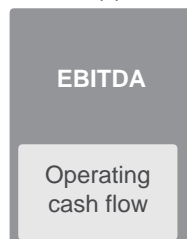


* Operating cash flow for the first half of 2020 was restated for the reconstitution of a receivable on research tax credit regularizing a non-cash tax flow, with no impact on the net cash flow of the Company's activities in 2020.

Change in EBITDA and operating cash flow by business

In millions of euros

(*)



Positive net cash flow from company operations

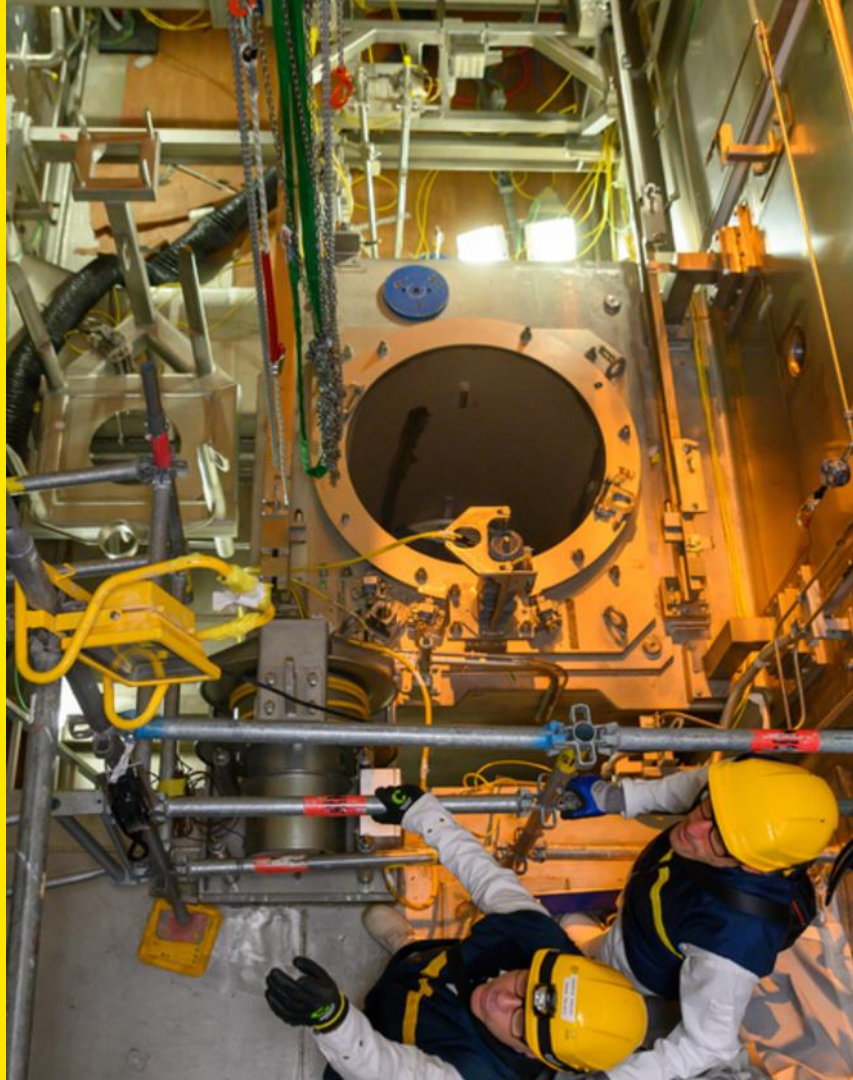
In millions of euros	H1 2020	H1 2021	Change
Operating cash flow	178	526	+348
End-of-lifecycle cash flow	(9)	(1)	+8
Income tax	50	(19)	-69
Cash from financial transactions	(109)	(115)	-6
Other items (*)	(64)	(57)	+7
Non operating cash flow	(132)	(192)	-60
Net cash flow from company operations	46	334	+288

** Including balances of transactions with non-controlling interests in subsidiaries.*

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Results at June 30, 2021

c. Balance sheet



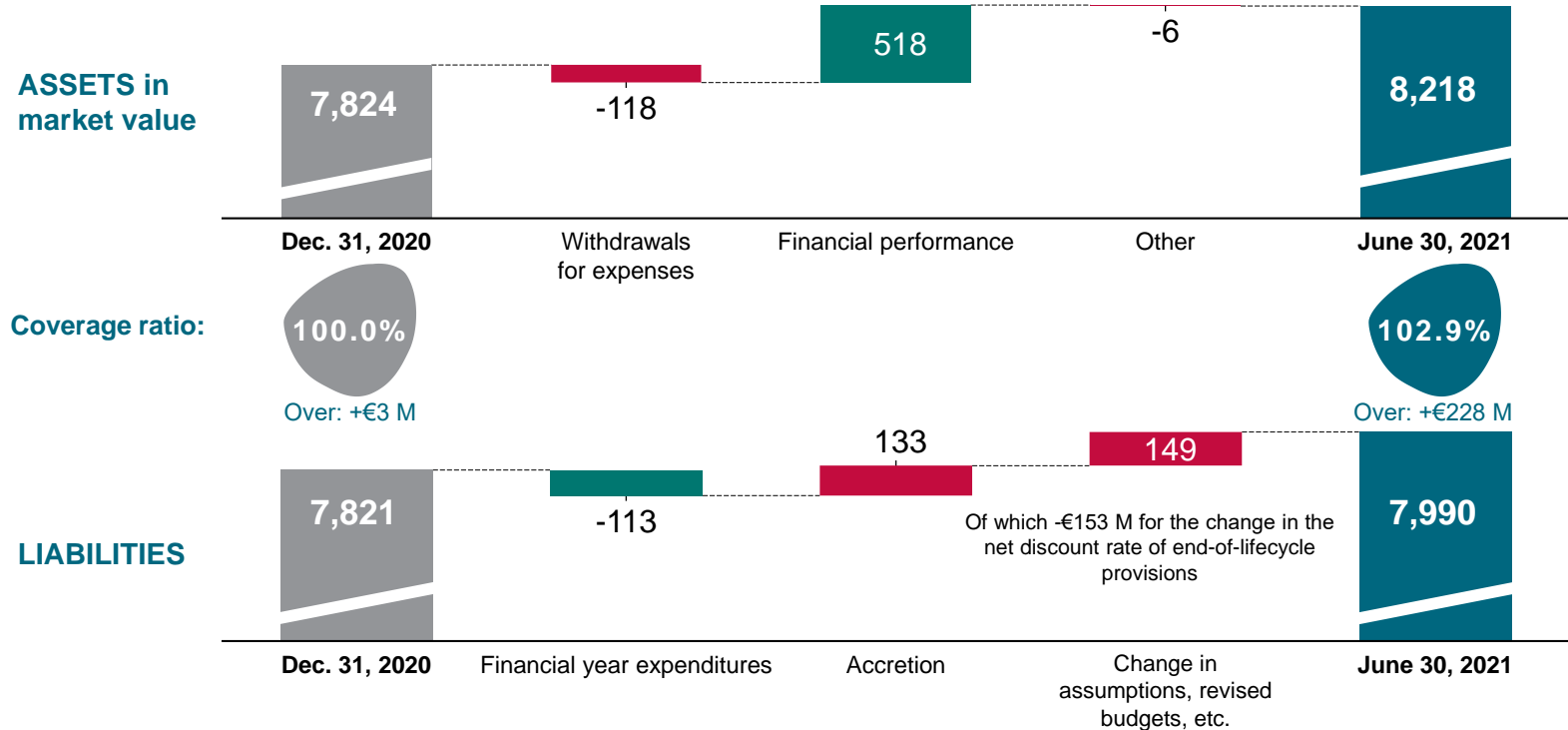
Condensed balance sheet

	<i>In billions of euros</i>	Dec. 31, 2020	Change	June 30, 2021
(a)	Goodwill	1.2	+0.0	1.2
(b)	Non-current assets	9.6	+0.3	9.9
(c)	End-of-lifecycle assets	7.7	+0.4	8.1
(d)	Deferred tax assets	0.1	-	0.1
(e)	Operating WCR assets	2.9	-0.1	2.8
(f)	Other assets	0.8	-	0.8
(g)	Net cash	1.6	-0.4	1.2
	Total assets	23.8	+0.2	24.0
(h)	Equity	1.1	+0.4	1.5
(i)	Employee benefits	1.1	-0.1	1.0
(j)	Provisions for end-of-lifecycle operations	8.2	+0.2	8.4
(k)	Other provisions	2.5	+0.1	2.6
(l)	Financial liabilities	4.2	-0.8	3.4
(m)	Operating WCR liabilities	5.8	+0.8	6.6
(n)	Other liabilities	1.1	-0.6	0.5
	Total liabilities	23.8	+0.2	24.0
	Net debt	(2.1)	+0.3	(1.8)

End-of-lifecycle commitments

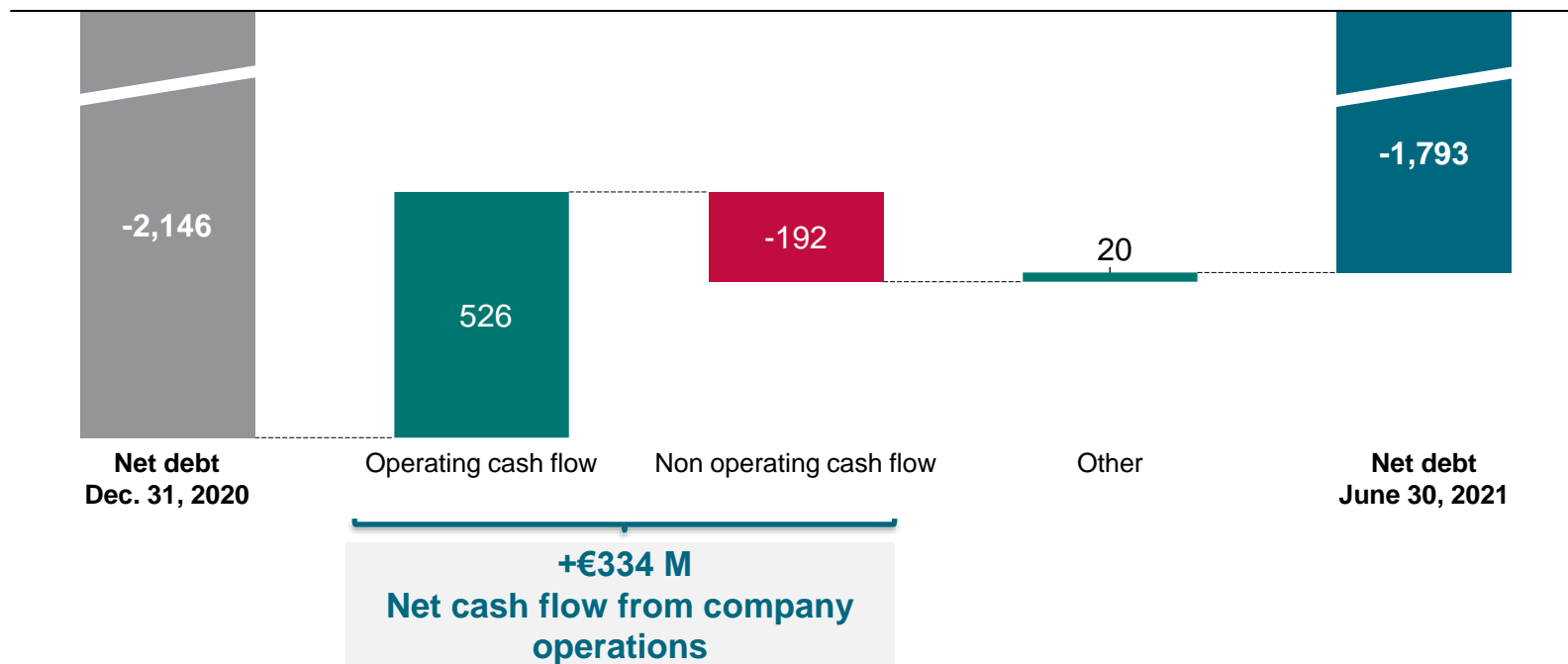
Regulated scope

In millions of euros



Decrease in net debt

In millions of euros

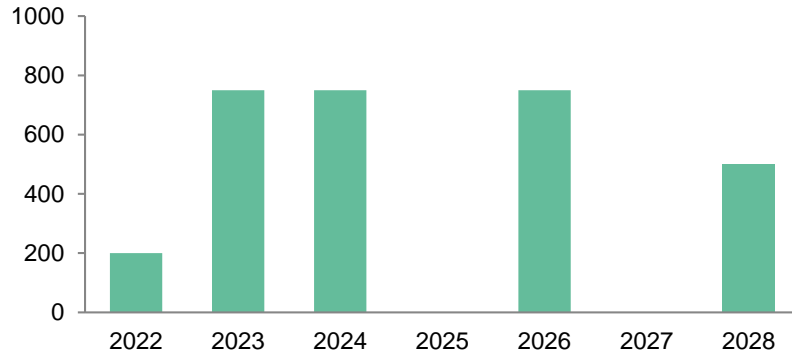


Liquidity and debt structure as of June 30, 2021

Financial debt €3.4 bn

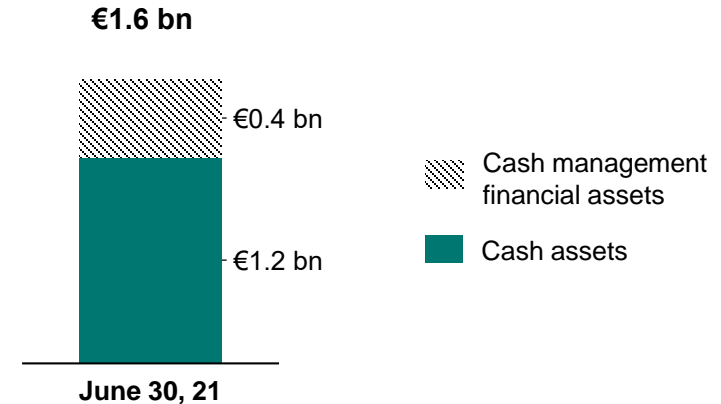
■ Of which bond debt: €3.0 bn

In millions of euros



■ Other borrowings: €0.4 bn

Liquidity position at June 30, 2021



■ Liquidity enhanced by an undrawn RCF:

- €940 M, 11 banking partners
- Maturity up to **July 2023**
- **No drawdowns** made

3

Outlook



Financial outlook* for 2021 maintained in an uncertain context



**Positive net
cash flow**



Revenue growth



EBITDA rate between 23% and 26%

Q&A

Appendices

1. Statement of income at June 30, 2021
2. Balance sheet
3. Key figures by business
4. Definition of key indicators used by Orano
5. Change of legal organization of Orano Cycle
6. Sensitivity
7. Non-financial performance

Statement of income at June 30, 2021

Appendix 1

In millions of euros	H1 2020	H1 2021
Revenue	1,782	1,883
Cost of sales	(1,571)	(1,557)
Gross margin	211	327
Research and development expense	(51)	(48)
Marketing and sales expense	(17)	(18)
General expense	(52)	(57)
Other operating income	97	37
Other operating expense	(30)	(43)
Operating income	158	198
Share in net income of joint ventures and associates	5	5
Operating income after share in net income of joint ventures and associates	163	203
Financial income from cash and cash equivalents	11	4
Cost of gross debt	(81)	(74)
Cost of net debt	(70)	(69)
Other financial income	266	564
Other financial expense	(542)	(319)
Other financial income and expense	(276)	245
Net financial income (expense)	(346)	176
Income tax	(15)	29
Net income from continuing operations	(198)	350
Net income from operations sold or held for sale	0	0
Net income for the period	(198)	350
Net income attributable to owners of the parent	(212)	316
Net income attributable to non-controlling interests	14	34

Balance sheet – assets

Appendix 2

ASSETS (in millions of euros)	Dec. 31, 2020	June 30, 2021
Non-current assets	18,825	19,490
Goodwill	1,174	1,200
Intangible assets	1,175	1,197
Plant, property and equipment	8,452	8,654
Rights of use – leases	89	79
End-of-lifecycle assets (third party share)	122	115
Financial assets earmarked for end-of-lifecycle operations	7,561	7,995
Investments in joint ventures and associates	6	7
Other non-current assets	154	160
Deferred tax assets	92	82
Current assets	4,997	4,551
Inventories and in-process	1,388	1,271
Trade accounts receivable and related accounts	681	770
Contract assets	104	163
Other operating receivables	728	636
Other non-operating receivables	42	41
Current tax assets	40	38
Other current financial assets	460	464
Cash and cash equivalents	1,554	1,168
Total assets	23,822	24,041

Balance sheet – liabilities

Appendix 2

LIABILITIES (in millions of euros)	Dec. 31, 2020	June 30, 2021
Equity	1,089	1,475
Capital	132	132
Consolidated premiums and reserves	1,301	,618
Actuarial gains and losses on employee benefits	(244)	(202)
Unrealized gains and losses on financial instruments	160	93
Currency translation reserves	(186)	(115)
Equity attributable to owners of the parent	1,164	1,525
Noncontrolling interests	(75)	(50)
Non-current liabilities	12,875	12,853
Employee benefits	1,066	1,003
Provisions for end-of-lifecycle operations	8,189	8,364
Non-current provisions	288	392
Share in negative net equity of joint ventures and associates	57	26
Non current lease liabilities	69	63
Non current financial liabilities	3,206	3,005
Deferred tax liabilities	0	0
Current liabilities	9,858	9,712
Current provisions	2,188	2,224
Current financial liabilities	985	412
Current lease liabilities	27	24
Trade payables and related accounts	914	871
Contract liabilities	4,930	5,236
Other operating liabilities	784	916
Other non-operating liabilities	4	9
Current tax liabilities	26	20
Total liabilities and equity	23,822	24,041

Key figures by business – Mining

Appendix 3



In millions of euros	H1 2020	H1 2021	Change
Revenue	626	662	+36
Operating income	209	183	-26
EBITDA	277	252	-25
<i>% of sales</i>	<i>44.3%</i>	<i>38.0%</i>	<i>-6.3 pts</i>
Change in operating WCR	(87)	75	+162
Net CAPEX	(33)	(54)	-21
Operating cash flow	157	272	+115

- Increase in **revenue** with: (i) a higher volume sold between the two half-years offset by a less favorable price/mix effect in line with the flow of the backlog, and (ii) a scope effect with the consolidation of Cominak on March 1, 2021.
- Fall in **operating income** and **EBITDA** related to: (i) the less favorable price effect on volumes sold in the backlog, and (ii) the negative impact of the Covid-19 crisis on operations with production interruptions in Canada (Cigar Lake mine and McClean Lake plant) between January and early May 2021, partially offset by the favorable volume effect.
- **Favorable** change in **WCR** due to the consumption of natural uranium stocks following production stoppages in Canada.
- Maintaining a good level of **operating cash flow** with a recovery in investments after a low level in 2020.

Key figures by business – Front End

Appendix 3



In millions of euros	H1 2020	H1 2021	Change
Revenue	448	436	-12
<i>Operating income before end-of-cycle activity</i>	<i>45</i>	<i>69</i>	<i>+24</i>
Operating income	44	69	+25
EBITDA	122	135	+13
<i>% of sales</i>	<i>27.2%</i>	<i>30.9%</i>	<i>+3.7 pts</i>
Change in operating WCR	155	150	-5
Net CAPEX	(56)	(41)	+15
Operating cash flow	221	244	+23

- Decrease in **revenue** in line with the flow of the backlog with a seasonality effect between the two half-years.
- Progression of **operating income and EBITDA** driven by the ramp-up of the Philippe Coste plant in Conversion.
- Improvement of **operating cash flow** under the combined effect of: (i) the increase in EBITDA, and (ii) the end of the investment program for the Philippe Coste plant.

Key figures by business – Back End

Appendix 3



In millions of euros	H1 2020	H1 2021	Change
Revenue	704	778	+74
<i>Operating income before end-of-cycle activity</i>	<i>(75)</i>	<i>(44)</i>	<i>+31</i>
Operating income	(77)	(49)	+28
EBITDA	28	20	-8
<i>% of sales</i>	<i>4.0%</i>	<i>2.6%</i>	<i>-1.4 pts</i>
Change in operating WCR	31	170	+139
Net CAPEX	(112)	(147)	-35
Operating cash flow	(53)	43	+96

- **Revenue** increased between the two periods in the absence of Covid impacts, which had penalized activities in H1 2020. This trend masks sales that were overshadowed by (i) production difficulties at the Melox plant, and (ii) less favorable seasonality at the La Hague plant.
- **Operating income** again amounted to a loss, reflecting on the one hand the challenges of contractual balance and on the other hand difficulties at a Recycling plant. The positive contribution of the Nuclear Packaging & Services and Dismantling & Services activities partially offset the deficit for the period.
- **EBITDA** was down compared to H1 2020, reflecting the above-mentioned effects.
- **Operating cash flow** was up, due in particular to a more favorable contract pre-financing contribution over the period, mitigated by a resumption of investments in Recycling after the disruptions generated by the health crisis in H1 2020.

Key figures by business – Corporate*

Appendix 3



In millions of euros	H1 2020	H1 2021	Change
Revenue	5	8	+3
<i>Operating income before end-of-cycle activity</i>	<i>(19)</i>	<i>(5)</i>	<i>+14</i>
Operating income	(19)	(5)	+14
EBITDA	(14)	8	+22
Change in operating WCR	(128)	(35)	+93
Net CAPEX	(5)	(5)	-
Operating cash flow	(146)	(32)	+114

- **Operating income and EBITDA** improved due to (i) a seasonal effect between the two periods, and (ii) higher costs for Covid protective equipment purchases in H1 2020.
- **Change in WCR** improved, mainly due to significant effects in H1 2020 with (i) a refund of VAT collected at the end of 2019, and (ii) the reconstitution of receivables for Research Tax Credits (non-operating cash flow counterparty).
- **Operating cash flow** improved significantly over the period, in line with the change in WCR.

(*) "Corporate and other operations" includes Orano Med

Definition of key indicators used by Orano (1/5)

Appendix 4

On a comparable basis/lfl:

At constant exchange rates and consolidation scope.

Net cash flow from company operations:

Net cash flow from company operations is equal to the sum of the following items:

- operating cash flow;
- cash flow from end-of-lifecycle operations;
- change in non-operating receivables and liabilities;
- financial income paid;
- income tax paid;
- dividends paid to minority shareholders of consolidated subsidiaries;
- net cash flow from operations sold, discontinued and held for sale, and cash flow from the sale of those operations;
- acquisitions and disposals of current and non-current financial assets, with the exception of bank deposits held for margin calls on derivative instruments or collateral backed by structured financing and cash management financial assets.

Net cash flow from company operations thus corresponds to changes in net debt (i) with the exception of transactions with Orano SA shareholders, accrued interest not yet due for the period and currency translation adjustments, and (ii) including accrued interest not yet due for the period N-1.

Definition of key indicators used by Orano (2/5)

Appendix 4

Net operating working capital requirement (Net operating WCR):

Operating WCR represents all of the current assets and liabilities related directly to operations. It includes the following items:

- net inventories and work in progress;
- net trade accounts receivable and related accounts;
- contract assets;
- advances paid;
- other accounts receivable, accrued income and prepaid expenses;
- less: trade payables and related accounts, contract liabilities and accrued liabilities.

Note: Operating WCR does not include non-operating receivables and payables such as income tax liabilities, amounts receivable on the sale of non-current assets, and liabilities in respect of the purchase of non-current assets.

Backlog:

The backlog is determined on the basis of firm orders, excluding unconfirmed options, using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curves prepared and updated by Orano. Orders in hedged foreign currencies are valued at the rate hedged. Non-hedged orders are valued at the rate in effect on the last day of the period. With respect to contracts for which revenue is recognized in advance, the amount included in the backlog corresponds to the difference between the revenue of the contract at completion and the revenue already recognized for the contract, it therefore includes financial components, indexation hypothesis and contract price revision assumptions taken into account by the group to value the revenue at completion.

Definition of key indicators used by Orano (3/5)

Appendix 4

Operating cash flow (OCF):

Operating cash flow (OCF) represents the amount of cash flows generated by operating activities before corporate taxes and taking into account the cash flows that would have occurred in the absence of offsetting between the payment of income taxes and the repayment of the research tax credit receivable. It is equal to the sum of the following items:

- EBITDA;
- plus the decrease or minus the increase in operating working capital requirement between the beginning and the end of the period (excluding reclassifications, currency translation adjustments and changes in consolidation scope);
- minus acquisitions of property, plant and equipment and intangible assets, net of changes in accounts payable related to fixed assets;
- plus sales of property, plant and equipment and intangible assets included in operating income, net of changes in receivables on the sale of fixed assets;
- plus prepayments received from customers during the period on non-current assets;
- plus acquisitions (or disposals) of consolidated companies (excluding equity associates), net of the cash acquired.

Definition of key indicators used by Orano (4/5)

Appendix 4

Net debt:

Net debt is defined as the sum of all short and long-term borrowings, less cash and cash equivalents, financial instruments recorded on the assets side of the balance sheet including borrowings, bank deposits constituted for margin calls on derivative instruments and collateral backed by structured financing and cash management financial assets.

EBITDA:

EBITDA is equal to operating income restated for net depreciation, amortization and operating provisions (excluding net impairment of current assets) as well as net gain on disposal of property, plant and equipment and intangible assets, gains and losses on asset leases and effects of takeovers and losses of control. EBITDA is restated to exclude the cost of end-of-lifecycle operations performed in group nuclear facilities during the financial year (dismantling, waste retrieval and packaging). It should be noted that the cash flows linked to end-of-lifecycle operations are presented separately.

Definition of key indicators used by Orano (5/5)

Appendix 4

Cash flows from end-of-lifecycle operations:

This indicator encompasses all of the cash flows linked to end-of-lifecycle operations and to assets earmarked to cover those operations. It is equal to the sum of the following items:

- revenue from the portfolio of earmarked assets, cash from disposals of earmarked assets;
- full and final payments received for facility dismantling;
- minus acquisitions of earmarked assets;
- minus cash spent during the year on end-of-lifecycle operations;
- minus full and final payments paid for facility dismantling.

Adjusted net income attributable to owners of the parent:

This indicator is used to reflect Orano's industrial performance independently of the impact of financial markets and regulatory changes in respect of end-of-lifecycle commitments. It comprises net income attributable to owners of the parent, adjusted for the following items:

- return on earmarked assets;
- impact of changes in discount and inflation rates;
- unwinding expenses on end-of-lifecycle operations (regulated scope);
- significant impacts of regulatory changes on end-of-lifecycle commitment estimates (adjustment impacting operating income);
- related tax effects.

Change of legal organization of Orano Cycle

Appendix 5

Change of legal organization of Orano Cycle:

In 2020, the legal entity Orano Cycle was split into three separate business companies so the operational activities are consistent with the leading legal entities that host them.

The operation in particular consisted in transferring from Orano Cycle, the chemistry and uranium enrichment activity to Orano Chimie Enrichissement and the recycling activities to Orano Recyclage. Orano Cycle has been renamed Orano Démantèlement and hosts the Dismantling and Services for nuclear facilities.

Segment information for the first half of 2020 has been restated to reflect the impact of these changes on the comparative period.

Sensitivity

Appendix 6

Update of the sensitivity of Orano's net cash flow generation to market indicators

As part of the update of its trajectories, the group has updated its sensitivities in relation to the generation of cash flow from company operations, which are presented below:

Annual averages over the periods concerned (in millions of euros)	2022-2024 period	2025-2030 period	
Change in the US dollar/Euro: +/-10 cents	+25 -23	+34 -32	Sensitivity cushioned by foreign exchange hedges subscribed to
Change in the price per pound of uranium: +/-5 USD/lb	+10 -6	+24 -10	Sensitivity cushioned by the backlog
Change in the price per unit of enrichment service: +/-5 USD/SWU	+/-7	+/-10	Sensitivity cushioned by the backlog

These sensitivities were assessed independently from one another.

Non-financial performance

Appendix 7

Indexes

Most recent rating
2019/2020

Trend vs. previous year

Industry positioning



100-0
(0 = low risk)

28.6
/ 100

2020



8th out of 111



CCC - AAA

AA

2019



top 6%



0-100

52
/ 100

2019



16th out of 44

Disclaimer

Important information

This document and the information it contains do not constitute an offer to sell or buy or a solicitation to sell or buy debt securities of Orano in the United States or in any other country.

This document contains forward-looking statements relative to Orano's financial position, results, operations, strategy and outlook. These statements include forecasts and estimates as well as the assumptions on which they are based, and statements related to projects, objectives and expectations concerning future operations, products and services or future performance. These forward-looking statements may generally be identified by the use of the future, the conditional or forward-looking terms such as "expect", "anticipate", "believe", "plan", "could", "predict", or "estimate", as well as other similar terms. Although Orano's management believes that these forward-looking statements are based on reasonable assumptions, bearers of Orano shares are hereby advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and generally beyond Orano's control, which may mean that the expected results and developments differ significantly from those expressed, induced or forecast in the forward-looking statements and information. These risks include those that are developed or identified in Orano's public documents, including those listed in Orano's 2020 Annual Activity Report (available online on Orano's website at: www.orano.group), as well as the risks related to epidemics such as Covid-19. The attention of investors and bearers of Orano shares is drawn to the fact that the realization of all or part of these risks is liable to have a significant unfavorable impact on Orano. Thus, these forward-looking statements do not constitute guarantees as to Orano's future performance. These forward-looking statements can be assessed only as of the date of this document. Orano makes no commitment to update the forward-looking statements and information, except as required by applicable laws and regulations.



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