

# **Condensed Half-yearly Consolidated Financial Statements**

**Orano**

**June 30, 2021**

## CONSOLIDATED STATEMENT OF INCOME

	Notes	H1 2021	H1 2020
<i>(in millions of euros)</i>			
<b>REVENUE</b>		<b>1,883</b>	<b>1,782</b>
Cost of sales		(1,557)	(1,571)
<b>GROSS MARGIN</b>		<b>327</b>	<b>211</b>
Research and development expense		(48)	(51)
Marketing and sales expense		(18)	(17)
General expense		(57)	(52)
Other operating income	4	37	97
Other operating expense	4	(43)	(30)
<b>OPERATING INCOME</b>		<b>198</b>	<b>158</b>
Share in net income of joint ventures and associates	12	5	5
<b>Operating income after share in net income of joint ventures and associates</b>		<b>203</b>	<b>163</b>
Financial income from cash and cash equivalents		4	11
Financial interest on debt		(74)	(81)
<b>Cost of net debt</b>		<b>(69)</b>	<b>(70)</b>
Other financial income		564	266
Other financial expense		(319)	(542)
<b>Other financial income and expense</b>	<b>6</b>	<b>245</b>	<b>(276)</b>
<b>NET FINANCIAL INCOME (EXPENSE)</b>		<b>176</b>	<b>(346)</b>
<b>Income tax</b>	<b>7</b>	<b>(29)</b>	<b>(15)</b>
<b>NET INCOME FOR THE PERIOD</b>		<b>350</b>	<b>(198)</b>
<b>NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		<b>316</b>	<b>(212)</b>
<b>NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>		<b>34</b>	<b>14</b>

## CONSOLIDATED COMPREHENSIVE INCOME

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020</b>
<b>NET INCOME</b>	<b>350</b>	<b>(198)</b>
<b>Other items not recyclable to the statement of income</b>	<b>45</b>	<b>16</b>
Actuarial gains and losses on employee benefits	40	16
Income tax related to non-recyclable items	(1)	(1)
Share in other non-recyclable items from joint ventures and associates, net of tax	5	1
<b>Other items recyclable to the statement of income</b>	<b>3</b>	<b>(30)</b>
Currency translation adjustments	70	(44)
Change in value of cash flow hedges	(66)	10
Income tax related to recyclable items	(1)	4
Share in other recyclable items from joint ventures and associates, net of tax	-	-
<b>Total other items of comprehensive income (net of income tax)</b>	<b>48</b>	<b>(14)</b>
<b>COMPREHENSIVE INCOME</b>	<b>397</b>	<b>(212)</b>
- Attributable to owners of the parent	362	(218)
- Attributable to non-controlling interests	35	6

## ASSETS

<i>(in millions of euros)</i>	<i>Notes</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
<b>NON-CURRENT ASSETS</b>			
Goodwill	<b>8</b>	1,200	1,174
Intangible assets	<b>9</b>	1,197	1,175
Plant, property and equipment	<b>9</b>	8,654	8,452
Right-of-use – leases	<b>10</b>	79	89
End-of-lifecycle assets (third party share)	<b>11</b>	115	122
Financial assets earmarked for end-of-lifecycle operations	<b>11</b>	7,995	7,561
Investments in joint ventures and associates	<b>12</b>	7	6
Other non-current assets	<b>13</b>	160	154
Deferred tax assets		82	92
<b>CURRENT ASSETS</b>			
Inventories and work-in-process		1,271	1,388
Trade accounts receivable and related accounts		770	681
Contract assets		163	104
Other operating receivables		636	728
Other non-operating receivables		41	42
Current tax assets		38	40
Other current financial assets	<b>13</b>	464	460
Cash and cash equivalents	<b>14</b>	1,168	1,554
<b>TOTAL ASSETS</b>		<b>24,041</b>	<b>23,822</b>

## EQUITY AND LIABILITIES

<i>(in millions of euros)</i>	<b>Notes</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Capital	<b>15</b>	132	132
Consolidated premiums and reserves		1,618	1,301
Actuarial gains and losses on employee benefits		(202)	(244)
Unrealized gains and losses on financial instruments		93	160
Currency translation reserves		(115)	(186)
<b>Equity attributable to owners of the parent</b>		<b>1,525</b>	<b>1,164</b>
Non-controlling interests		(50)	(75)
<b>EQUITY</b>		<b>1,475</b>	<b>1,089</b>
<b>NON-CURRENT LIABILITIES</b>		<b>12,853</b>	<b>12,875</b>
Employee benefits	<b>16</b>	1,003	1,066
Provisions for end-of-lifecycle operations	<b>11</b>	8,364	8,189
Other non-current provisions	<b>17</b>	392	288
Share in negative net equity of joint ventures and associates	<b>12</b>	26	57
Non-current financial liabilities	<b>18</b>	3,005	3,206
Non-current lease liabilities		63	69
<b>CURRENT LIABILITIES</b>		<b>9,712</b>	<b>9,858</b>
Current provisions	<b>17</b>	2,224	2,188
Current financial liabilities	<b>18</b>	412	985
Current lease liabilities		24	27
Trade payables and related accounts		871	914
Contract liabilities		5,236	4,930
Other operating liabilities		916	784
Other non-operating liabilities		9	4
Current tax liabilities		20	26
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,041</b>	<b>23,822</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in millions of euros)</i>	Notes	H1 2021	H1 2020
<b>Net income</b>		<b>350</b>	<b>(198)</b>
Net amortization, depreciation and impairment of PP&E and intangible assets and marketable securities maturing in more than 3 months		243	176
Net increase in (reversal of) provisions		(171)	(31)
Net effect of unwinding of assets and provisions		263	(59)
Income tax expense (current and deferred)		29	15
Net accrued interest included in cost of debt		67	68
Loss (gain) on disposal of fixed assets and change in fair value of financial assets	<b>4 and 6</b>	(514)	301
Share in net income of joint ventures and associates	<b>12</b>	(5)	(5)
Dividends received from joint ventures and associates and share of income from consortiums		12	4
Other non-cash items		3	24
<b>Cash flow from operations before interest and taxes</b>		<b>277</b>	<b>295</b>
Net interest received (paid)		(78)	(76)
Net interest paid on lease liabilities		(2)	(2)
Income tax paid		(19)	(12)
<b>Cash flow from operations after interest and tax</b>		<b>178</b>	<b>205</b>
Change in working capital requirement		362	32
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>540</b>	<b>237</b>
Capital expenditure		(253)	(211)
Disposal of plant, property and equipment and intangible assets		6	5
Acquisitions of shares of consolidated companies, net of acquired cash		2	(1)
Acquisitions of hedging financial assets earmarked for end-of-lifecycle operations		(693)	(1,520)
Disposal of hedging financial assets earmarked for end-of-lifecycle operations		772	1,586
Change in cash management financial assets	<b>13</b>	3	90
Loans granted to joint ventures and associates		(23)	(15)
Repayment of loans from joint ventures and associates		-	-
Acquisitions of other financial assets		(3)	(4)
Disposal of other financial assets		-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(188)</b>	<b>(70)</b>
Parent company capital increases		-	-
Transactions with non-controlling interests		(3)	-
Dividends paid to non-controlling interests		-	(24)
Repayment of lease liabilities	<b>10</b>	(11)	(8)
Increase in financial debt	<b>18</b>	-	0
Decrease in financial debt	<b>18</b>	(715)	(132)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(730)</b>	<b>(164)</b>
Effect of exchange rate changes		1	(9)
<b>CHANGE IN NET CASH</b>		<b>(377)</b>	<b>(5)</b>
<b>Net cash at the beginning of the period</b>		<b>1,484</b>	<b>1,420</b>
Cash position at the end of the period	<b>14</b>	1,168	1,492
Less: short-term bank facilities and non-trade current accounts in credit	<b>18</b>	(61)	(77)
<b>Net cash at the end of the period</b>		<b>1,107</b>	<b>1,414</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Number of shares	Capital (Note 15)	Consolidated premiums and reserves	Actuarial gains and losses on employee benefits	Unrealized gains and losses on financial instruments	Currency translation reserves	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
<i>(in millions of euros)</i>									
<b>JANUARY 1, 2020</b>	<b>264,152,778</b>	<b>132</b>	<b>1,370</b>	<b>(195)</b>	<b>(7)</b>	<b>(18)</b>	<b>1,282</b>	<b>(34)</b>	<b>1,248</b>
Net income for the first half of 2020			(212)				(212)	14	(198)
Other items of comprehensive income				16	14	(35)	(6)	(8)	(14)
<b>Comprehensive income</b>			<b>(212)</b>	<b>16</b>	<b>14</b>	<b>(35)</b>	<b>(218)</b>	<b>6</b>	<b>(212)</b>
Dividends paid								(27)	(27)
Other changes			1				1	-	1
<b>JUNE 30, 2020</b>	<b>264,152,778</b>	<b>132</b>	<b>1,159</b>	<b>(179)</b>	<b>7</b>	<b>(53)</b>	<b>1,066</b>	<b>(54)</b>	<b>1,011</b>
<b>JANUARY 1, 2021</b>	<b>264,152,778</b>	<b>132</b>	<b>1,301</b>	<b>(244)</b>	<b>160</b>	<b>(186)</b>	<b>1,164</b>	<b>(75)</b>	<b>1,089</b>
Net income for the first half of 2021			316				316	34	350
Other items of comprehensive income				44	(67)	69	47	1	48
<b>Comprehensive income</b>			<b>316</b>	<b>44</b>	<b>(67)</b>	<b>69</b>	<b>362</b>	<b>35</b>	<b>397</b>
Dividends paid								(5)	(5)
Other changes (*)			1	(3)		2	(1)	(5)	(6)
<b>JUNE 30, 2021</b>	<b>264,152,778</b>	<b>132</b>	<b>1,618</b>	<b>(202)</b>	<b>93</b>	<b>(115)</b>	<b>1,525</b>	<b>(50)</b>	<b>1,475</b>

(\*) other changes in the first half of 2021 are mainly due to the acquisition of shares in Cominak and AREVA Mongol LLC (see Note 1)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS TO JUNE 30, 2021

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

## NOTE 1 - SIGNIFICANT EVENTS OF THE PERIOD

### Impacts of the Covid-19 health crisis

The impacts of the Covid-19 crisis continued from January to early May in the Mining sector. In Canada, the Cigar Lake mine and the McClean Lake ore processing plant have been shut down to protect the northern communities employed at these sites. At the end of the half-year, all of these facilities were back in operation. At the end of June 2021, the Covid-19 crisis had not affected the value of the Group's industrial assets, however it had adversely affected the results for the period in the Mining sector only.

### Cominak production shutdown

On March 31, 2021, the Akouta mine in Niger operated by Cominak ceased production after more than 40 years and 75,000 metric tons of uranium extracted. Social (plan dedicated to supporting employees and subcontractors) and societal (measures to support the local economy, in particular through support for entrepreneurship, health, the education system and the transfer of infrastructure managed by Cominak to the State of Niger) transition began immediately. Redevelopment work, which will last just under 10 years, will be followed by an environmental monitoring period.

Since the end of February, Orano Mining has held 59% of the share capital of Cominak after the acquisition of the stake held by one of the historical shareholders, the Japanese company OURD, which contributed 25% to the dismantling and transition budget during the purchase of its stake by Orano. The other shareholders are SOPAMIN (Niger) (31%) and ENUSA (Spain) (10%).

### Situation of the McArthur River mine and Key Lake processing plant in Canada

The McArthur River mine (69.8% held by Cameco and 30.2% by Orano) and the Key Lake ore processing plant (83.3% owned by Cameco and 16.7% by Orano) remain suspended indefinitely.

### Significant changes in scope over the period

Transnuclear Ltd is the joint venture created in 1984 by KOBE STEEL and Orano Nuclear Packages and Services ("Orano NPS") for the development of dry storage projects in Japan, the conducting of engineering studies and safety analyses, and the transport of certain nuclear materials for the Japanese market.

On January 15, 2021, Orano NPS and KOBE STEEL acquired the 5% stake held by SOJITZ (2.5% for Orano NPS and 2.5% for KOBE STEEL). At the end of the transaction, Transnuclear Ltd was 50% held by Orano NPS and 50% by KOBE STEEL. In parallel with this acquisition, a renegotiation of the shareholders' agreement with KOBE STEEL was carried out and finalized, enabling Orano NPS to strengthen its control over strategic operational and decision-making aspects at Transnuclear Ltd.

On January 28, 2021, CFMM acquired the securities held by MITSUBISHI CORP in AREVA Mongol LLC, *i.e.* 34%. AREVA Mongol LLC is now wholly owned by CFMM.

### **Agreement signed with Daher to acquire its nuclear activities in Germany and North America**

On March 4, the Orano group and the Daher group signed an agreement for the acquisition by Orano Nuclear Packages and Services ("Orano NPS") of the nuclear activities of Daher in Germany (Daher Nuclear Technologies GmbH "DNT") and North America (mainly TLI Inc. "TLI") and their subsidiaries in these geographical areas. The entities will thus benefit from complementary know-how and operations, particularly in Germany and the United States, in the transportation of nuclear materials and waste storage.

The acquisition of Daher's activities in Germany and North America is in particular in the United States subject to the authorization of the Committee on Foreign Investment in the United States (CFIUS). The examination of the acquisition of Daher's activities in the United States began in July 2021 and should be completed at the end of August 2021.

## NOTE 2 - ACCOUNTING ESTIMATES, JUDGMENTS AND PRINCIPLES

### Estimates and judgments

In preparing its consolidated financial statements, Orano must make estimates, assumptions and judgments impacting the carrying amount of certain assets and liabilities, income and expense items, or information disclosed in certain notes to the financial statements. Orano updates its estimates and judgments on a regular basis to reflect past experience and other factors deemed pertinent, based on economic conditions. As a function of changes in these assumptions or in circumstances that may arise, particularly in the context of the current health and economic crisis, the amounts appearing in its future financial statements may differ from current estimates, particularly in the following areas:

- operating margins on contracts recognized according to the percentage-of-completion method, which are estimated by the project teams and reviewed by management in accordance with the group's procedures (see Note 17);
- cash flow forecasts and the discount and growth rates used for impairment tests for goodwill and other plant, property and equipment and intangible assets (see Notes 8 and 9);
- all assumptions used to assess the value of pension commitments and other employee benefits, including the rate of wage increases and discount rates, retirement age and employee turnover (see Note 16);
- all assumptions used to assess the value of provisions for end-of-lifecycle operations (see Note 11) and, where appropriate, the assets corresponding to the third-party share, in particular:
  - estimated costs of those operations,
  - inflation and discount rates,
  - schedule of future disbursements,
  - operating life of the facilities,
  - scenario chosen with regard to knowledge of the initial condition of the facilities, the target final condition, and waste treatment and removal methods and their availability,
  - procedures for final shutdown,
  - safety requirements and regulatory developments;
- assumptions used to measure the existence of provisions or contingent liabilities for nuclear materials belonging to the group: the estimated costs of those operations, the provisional payment schedule, the inflation rate and the discount rate (see Notes 17 and 22);
- estimates and judgments regarding the outcome of ongoing litigation and, more generally, estimates regarding all of Orano's provisions and contingent liabilities (see Note 22);
- estimates and judgments relating to the recoverability of accounts receivable from the group's customers and other financial assets;
- estimates of future taxable income allowing the recognition of deferred tax assets (see Note 7).

### Preparation of the financial statements

The consolidated financial statements for the six months to June 30, 2021, approved by the Board of Directors on July 29, 2021, were prepared in accordance with IAS 34 relating to interim financial information. Being condensed financial statements, they do not include all the disclosures required for the preparation of full consolidated financial statements under IFRS and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2020.

#### Specific methods for the preparation of intermediate financial statements

- Orano applies the methodology prescribed by IAS 34 to determine the tax expense for the interim period. It is calculated by applying the estimated average effective tax rate for the year for each tax jurisdiction to the pre-tax result for the period. However, a different tax rate is used for income categories subject to specific tax rates, such as the results of disposals of securities subject to the long-term capital gains regime.
- The interim period expense relating to retirement benefits and other employee benefits is calculated using the discount rate determined as of December 31, 2020. In applying this method, Orano has calculated the expense for the first half of 2021 in respect of the current service cost, the accretion expense of the provision and the income relating to the expected return on hedging assets using the actuarial assumptions determined as of December 31, 2020, in accordance with IAS 19. Changes in actuarial assumptions taken into account for the valuation of employee liabilities as of June 30, 2021 are recorded in "Other items of comprehensive income" in almost their entire amount.

## Accounting principles

The accounting principles applied to prepare the condensed consolidated financial statements at June 30, 2021 are identical to those described in Note 1 to the consolidated financial statements for the period ended December 31, 2020. They were prepared in accordance with IFRS, as published by the International Accounting Standards Board (IASB) and adopted in the European Union as of June 30, 2021.

The IFRS standards and interpretations as adopted in the European Union are available on the website:

[https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting\\_en](https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en)

The group has not early adopted any standards, amendments or interpretations published by the IASB whose application was optional or not mandatory within the European Union as of June 30, 2021.

### **Standards, amendments and interpretations that came into force on January 1, 2021**

- the amendments to IFRS 9, IAS 39, and IFRS 7 “Reform of benchmark interest rates (Phase II)”.

These amendments and interpretations with mandatory application from January 1, 2021 did not have any significant impact on the group’s consolidated financial statements.

The potential impacts of the IFRS IC final decision in May 2021 concerning the allocation of post-employment benefits to periods of service (IAS 19) are currently being analyzed by the Group.

### **New standards and interpretations adopted by the European Union for which application is not yet mandatory and which have not been early adopted**

- amendment to IAS 37 “Onerous contracts – Cost of fulfilling a contract”;
- amendment to IFRS 3 “Reference to the Conceptual Framework”;
- annual improvements 2018-2020 relating to IFRS 9 and IFRS 16; and
- amendments to IAS 1 “Presentation of financial statements - Classification of liabilities as current or non-current” and “Disclosure of accounting policies”;
- amendment to IAS 8 “Definition of accounting estimates”;
- amendments to IFRS 16 “Covid-19-Related Rent Concessions beyond 30 June 2021”; and
- amendment to IAS 12 “Deferred tax related to assets and liabilities arising from a single transaction”.

These amendments and improvements were not applied in advance at January 1, 2021. The group is currently analyzing the potential impacts of these amendments.

## NOTE 3 - SEGMENT INFORMATION

### BY BUSINESS SEGMENT

#### H1 2021

<i>(in millions of euros)</i>	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
Gross revenue	667	465	839	(88)	1,883
Inter-segment sales	(6)	(29)	(62)	96	-
<b>Contribution to consolidated revenue</b>	<b>662</b>	<b>436</b>	<b>778</b>	<b>8</b>	<b>1,883</b>
<b>Operating income before end-of-lifecycle activity</b>	<b>183</b>	<b>69</b>	<b>(44)</b>	<b>(5)</b>	<b>203</b>
<b>Income from end-of-lifecycle activities</b>	<b>-</b>	<b>(0)</b>	<b>(5)</b>	<b>-</b>	<b>(5)</b>
<b>Operating income</b>	<b>183</b>	<b>69</b>	<b>(49)</b>	<b>(5)</b>	<b>198</b>
Share in net income of joint ventures and associates	-	-	-	-	5
Net financial income (expense)	-	-	-	-	176
Income tax	-	-	-	-	(29)
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350</b>
<b>EBITDA (*)</b>	<b>252</b>	<b>135</b>	<b>20</b>	<b>8</b>	<b>415</b>
<i>% of gross revenue</i>	<i>37.7%</i>	<i>29.0%</i>	<i>2.4%</i>	<i>n/a</i>	<i>22.0%</i>

(\*) (see Note 5)

In the first half of 2021, the group generated approximately 50% of its revenue with EDF.

Revenue is recognized when the control of the material is transferred for the Mining and Front End divisions, and predominantly on the basis of the percentage-of-completion method for the Back End segment.

## H1 2020

<i>(in millions of euros)</i>	Mining	Front End (*)	Back End (*)	Corporate, other operations and eliminations (*)	Total
Gross revenue	629	481	742	(68)	1,782
Inter-segment sales	(3)	(33)	(38)	73	-
<b>Contribution to consolidated revenue</b>	<b>626</b>	<b>448</b>	<b>704</b>	<b>5</b>	<b>1,782</b>
<b>Operating income before end-of-lifecycle activity</b>	<b>209</b>	<b>45</b>	<b>(75)</b>	<b>(19)</b>	<b>161</b>
<b>Income from end-of-lifecycle activities</b>	<b>-</b>	<b>(1)</b>	<b>(2)</b>	<b>-</b>	<b>(3)</b>
<b>Operating income</b>	<b>209</b>	<b>44</b>	<b>(77)</b>	<b>(19)</b>	<b>158</b>
Share in net income of joint ventures and associates	-	-	-	-	5
Net financial income (expense)	-	-	-	-	(346)
Income tax	-	-	-	-	(15)
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(198)</b>
<b>EBITDA (**)</b>	<b>277</b>	<b>122</b>	<b>28</b>	<b>(14)</b>	<b>413</b>
<i>% of gross revenue</i>	<i>44.1%</i>	<i>25.3%</i>	<i>3.8%</i>	<i>Na</i>	<i>23.2%</i>

(\*) Comparative data at June 30, 2020 have been restated to take into account (i) the fact that the group's operating segments are also monitored at the level of operating income before end-of-lifecycle activity and (ii) the change in Orano Cycle's legal organization as of December 31, 2020.

(\*\*) The comparative data at June 30, 2020 have been restated to take into account the new definition of EBITDA (see Note 5).

In the first half of 2020, the group generated approximately 51% of its revenue with EDF.

## CONTRIBUTION TO CONSOLIDATED REVENUE BY BUSINESS SEGMENT AND CUSTOMER LOCATION

### H1 2021

<i>(in millions of euros)</i>	Mining	Front End	Back End	Other	Total
France	312	210	546	4	<b>1,073</b>
Europe (excluding France)	72	40	78	4	<b>193</b>
North & South America	112	102	74	0	<b>289</b>
Asia-Pacific	148	84	79	0	<b>310</b>
Africa and Middle East	18	0	1	0	<b>19</b>
<b>Total</b>	<b>662</b>	<b>436</b>	<b>778</b>	<b>8</b>	<b>1,883</b>

### H1 2020

<i>(in millions of euros)</i>	Mining	Front End	Back End	Other	Total
France	245	259	492	4	<b>1,000</b>
Europe (excluding France)	16	83	77	0	<b>176</b>
North & South America	81	92	84	0	<b>258</b>
Asia-Pacific	275	14	49	0	<b>338</b>
Africa and Middle East	8	0	2	0	<b>10</b>
<b>Total</b>	<b>626</b>	<b>448</b>	<b>704</b>	<b>5</b>	<b>1,782</b>

## NOTE 4 - OTHER OPERATING INCOME AND EXPENSES

### Other operating income

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020</b>
Gain on disposals of assets other than financial assets	1	2
Reversal of impairment on assets	-	70
Other income	37	25
<b>Total other operating income</b>	<b>37</b>	<b>97</b>

In the first half of 2021, other income includes foreign exchange gains on market transactions and reversals of unused provisions.

In the first half of 2020, the reversal of impairment losses concerned the Philippe Coste conversion plant (Front End segment).

Other income included a provisional insurance indemnity of 18 million euros to compensate material damage to the crystallizers at the Philippe Coste plant.

### Other operating expenses

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020</b>
Restructuring and early retirement plan costs	(0)	0
Impairment of other assets (excluding goodwill)	(1)	(6)
Loss on disposals of assets other than financial assets	(0)	-
Dismantling costs net of provisions/reversals of provisions for end-of-lifecycle operations	(5)	(3)
Other expenses	(37)	(22)
<b>Total other operating expense</b>	<b>(43)</b>	<b>(30)</b>

In the first half of 2020, impairment losses on other assets corresponded to the impairment of studies in the Front End segment.

In the first half of 2021, other expenses mainly include:

- 10 million euros (10 million euros as of June 30, 2020) in charges related to the postponement of mining operations on the Imouraren and Trekkopje sites, as well as the maintenance of infrastructure;
- 23 million euros related to the acquisition of the net liabilities of Cominak (see Note 1).

## NOTE 5 - BREAKDOWN OF OPERATING INCOME / EBITDA

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020 (*)</b>
<b>Operating income</b>	<b>198</b>	<b>158</b>
Net increase in depreciation and impairment of intangible assets, net of reversals	35	37
Net increase in depreciation and impairment of property, plant and equipment, net of reversals	195	129
Net increase in depreciation and impairment of right of use – asset leases, net of reversals	13	11
Net gain on disposal of property, plant and equipment and intangible assets	(1)	(2)
Effects of takeovers and losses of control	23	-
Gains and losses on asset leases	-	-
Provisions, net of reversals (excluding current assets)	(168)	(31)
Costs of end-of-lifecycle operations performed	119	111
<b>EBITDA</b>	<b>415</b>	<b>413</b>

(\*) The comparative data at June 30, 2020 have been restated to take into account the new definition of EBITDA

## NOTE 6 - NET FINANCIAL INCOME (EXPENSE)

### Financial interest on debt

The cost of gross financial debt at the end of June 2021 includes interest expenses relating to bond debt for an amount of 59 million euros (compared to 67 million euros at June 30, 2020).

The interest expense related to IFRS 16 incurred in the first half of 2021 was 1 million euros (versus 2 million euros at June 30, 2020).

### Other financial income and expense

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020</b>
Change in fair value through profit or loss of earmarked assets	513	(303)
Dividends received	40	36
Accretion proceeds from end-of-lifecycle assets	2	2
Accretion expenses on end-of-lifecycle operations	(139)	(148)
Impact of changes in discount rates and inflation rates	(65)	177
<b>Share related to end-of-lifecycle operations</b>	<b>351</b>	<b>(235)</b>
Foreign exchange gain (loss)	7	(1)
Change in fair value through profit or loss of non-earmarked assets	1	(0)
Interest on advances	(34)	(32)
Financial income from pensions and other employee benefits	(2)	(3)
Accretion expenses on debt and other provisions net of effects of changes in discount rates and inflation	(60)	31
Other financial income	2	2
Other financial expense	(19)	(36)
<b>Share not related to end-of-lifecycle operations</b>	<b>(106)</b>	<b>(41)</b>
<b>Other financial income and expense</b>	<b>245</b>	<b>(276)</b>

Other financial expense consists chiefly of premiums/discounts on currency hedging instruments.

## NOTE 7 - INCOME TAX

The income tax expense in the first half of 2021 was 29 million euros.

## NOTE 8 - GOODWILL

<i>(in millions of euros)</i>	<b>December 31, 2020</b>	Increases	Disposal	Impairment	Currency translation adjustments and other	<b>June 30, 2021</b>
Mining	<b>786</b>				26	<b>812</b>
Front End	<b>161</b>					<b>161</b>
Back End	<b>227</b>				0	<b>228</b>
<b>Total</b>	<b>1,174</b>	-	-	-	<b>27</b>	<b>1,200</b>

Given the deterioration in conditions in the uranium market and the sensitivity of the value of the CGU to market indicators, the Mining CGU assets are tested at each reporting date.

### Mining

The recoverable amount of the Mining group of CGUs is determined based on its value in use. The value in use of mining operations is calculated based on forecast data for the entire period, up to the planned end of mining operations at existing mines (Canada, Kazakhstan and Niger) and the marketing of the corresponding products (*i.e.* no later than 2043), rather than on a normative year. The value in use is determined by discounting estimated future cash flows per mine at rates between 7.00% and 11.00% (between 7.00% and 12.00% at December 31, 2020) and based on exchange rates at June 30, 2021.

Future cash flows are determined 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 curve prepared by Orano. The forecast price curve is also used for the portion of sales not yet covered by a contract. The price curve is based among other things on Orano's vision of changes in supply (uranium mines and secondary resources) and demand (reflecting the consumption of the global fleet of nuclear power plants over the length of the curve and the purchasing policy of the relevant utilities).

The value in use determined in this manner is greater than the net carrying amount of the Mining group of CGU assets, and therefore does not result in any impairment of goodwill.

The test remains sensitive to discount rates, to foreign exchange parity and to the anticipated future prices of uranium. The value in use of the assets of the Mining group of CGUs would fall by the amounts below if any of the following assumptions were used:

- a discount rate of 50 basis points higher: 91 million euros;
- a euro/US dollar exchange rate 5 eurocents higher: 203 million euros; and
- sales price assumptions 5 US dollars per pound of uranium below Orano's projected price curves over the entire period of the business plans: 326 million euros.

On this point, the sensitivity analysis was carried out without taking into account a revision of economically mineable uranium quantities or production schedules resulting from this price change.

Taken individually or on a cumulative basis, deterioration of this nature would not result in the impairment of the goodwill allocated to the Mining group of CGUs.

### Front End

In the Front End segment, goodwill is carried by the Enrichment activity. Given the absence of any indication of impairment for this activity during the 1<sup>st</sup> half-year, the Group did not carry out an impairment test.

## Back End

In the Back End segment, goodwill was carried by the Recycling BU in the amount of 171 million euros, the NPS BU in the amount of 41 million euros and the DS BU in the amount of 15 million euros. No indication of impairment was identified for the Recycling and NPS BUs.

For the DS BU, an impairment test was carried out in view of the declining outlook in the United States, but did not result in the recognition of any impairment of goodwill.

The value in use is obtained by discounting the projected future cash flows at a rate of between 7% and 7.5% (compared to 6.50% and 7.50% at December 31, 2020).

The sensitivity analysis carried out shows that the use of a discount rate 50 basis points higher and/or a growth rate for the standard year 50 basis points lower would not have resulted in the recognition of impairment on goodwill.

## NOTE 9 - PLANT, PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

### NET INTANGIBLE ASSETS

<i>(in millions of euros)</i>	December 31, 2020	Increase:	Dispos <sup>e</sup>	Net charges to depreciation/impai rment (*)	Currency translation adjustmen ts	Other changes	June 30, 2021
Pre-mining expenses	729	12		(19)	37	7	766
R&D expenses	-						-
Mineral rights	-						-
Concessions & patents	302			(4)			299
Software	46			(4)		1	43
Other	40			(8)			32
In progress	57	12			1	(13)	57
<b>Total</b>	<b>1,175</b>	<b>24</b>	<b>-</b>	<b>(35)</b>	<b>37</b>	<b>(4)</b>	<b>1,197</b>

(\*) No impairment was recognized in the first half of 2021

### NET PLANT, PROPERTY AND EQUIPMENT

<i>(in millions of euros)</i>	December 31, 2020	Increase:	Dispos <sup>e</sup>	Net charges to depreciation/imp airment (*)	Currency translation adjustment s	Other changes (**)	June 30, 2021
Land	69				2	1	72
Buildings	841			(21)	8	50	878
Plant, equipment and tooling	5,376	8		(144)	31	(102)	5,168
End-of-lifecycle assets	595			(16)	0	95	674
Other	277	3		(12)	5	33	305
In progress	1,294	239	(3)	(1)	1	26	1,557
<b>Total</b>	<b>8,452</b>	<b>250</b>	<b>(3)</b>	<b>(195)</b>	<b>47</b>	<b>103</b>	<b>8,654</b>

(\*) Including impairment of -1 million euros

(\*\*) Including +95 million euros linked to the increase in the actual discount rate net of end-of-lifecycle provisions (see Note 11)

## MINING ASSETS

Property, plant and equipment and intangible assets of mining and industrial sites in operation (constituting Mining segment CGUs) are subject to an impairment test at the end of each reporting period (in accordance with the principles set out in Note 1.3.7.5), given the deteriorating conditions in the uranium market.

### Mining assets in Namibia – Trekkopje

The carrying amount of property, plant and equipment and intangible net assets in Namibia includes the infrastructure of both mining and desalination plant producing industrial water.

The value in use of the desalination plant is tested separately from that of the mining infrastructure. It is determined on the basis of its business plan discounted at a rate of 8.00% (8.50% at December 31, 2020). An impairment of 7 million euros was recognized at December 31, 2020. No additional impairment losses were recognized at June 30, 2021.

The net book value of the property, plant and equipment and intangible assets of the Trekkopje mine is justified on the basis of their fair value measured at June 30, 2021 based on a multiple of uranium resources in the ground.

## NOTE 10 - LEASES

### RIGHT OF USE – LEASES

<i>(in millions of euros)</i>	<b>December 31, 2020</b>	Increase/New leases	Reduction/with drawal from leases	Net increase in depreciation	Other adjustment	Currency translation adjustments	<b>June 30, 2021</b>
Property assets	64	2	(1)	(7)	-	1	<b>59</b>
Other assets	25	1	-	(6)	-	-	<b>20</b>
<b>Total</b>	<b>89</b>	<b>3</b>	<b>(1)</b>	<b>(13)</b>	<b>-</b>	<b>1</b>	<b>79</b>

## NOTE 11 - END-OF-LIFECYCLE OPERATIONS

### PROVISIONS FOR END-OF-LIFECYCLE OPERATIONS

<i>(in millions of euros)</i>	Net carrying amount at December 31, 2020	Reversal (when risk has materialized)	Third-party expenses	Revisions to estimates	Accretion	Other adjustment	Net carrying amount at June 30, 2021
Provisions for dismantling	5,173	(73)	(9)	-	88	122	5,300
Provisions for waste retrieval and packaging	1,202	(31)	-	-	21	35	1,226
Provisions for long-term waste management and site monitoring	1,447	(8)	-	6	24	(4)	1,464
<b>Provisions for end-of-lifecycle operations (regulated *)</b>	<b>7,821</b>	<b>(113)</b>	<b>(9)</b>	<b>6</b>	<b>133</b>	<b>153</b>	<b>7,990</b>
Provisions for end-of-lifecycle operations (non-regulated *)	368	(7)	(0)	-	6	7	374
<b>PROVISIONS FOR END-OF-LIFECYCLE OPERATIONS</b>	<b>8,189</b>	<b>(119)</b>	<b>(9)</b>	<b>6</b>	<b>139</b>	<b>160</b>	<b>8,364</b>

(\*) Scope of application of the Act of June 28, 2006

At June 30, 2021, used provisions in the amount of 119 million euros correspond to the expenses relating to the end-of-lifecycle operations incurred by the group.

Revisions to estimates amounting to a total of 6 million euros stem from the volume of operating waste in the 1<sup>st</sup> half-year 2021.

The other changes, amounting to 160 million euros, are due to the impacts of change in actual discount rate, broken down as follows:

- the change in the discount rate from 3.42% to 3.55% for -257 million euros;
- the change in the long-term inflation rate from 1.15% to 1.40% for +430 million euros;
- the application of the current year inflation rate of 1%, replacing the previous year's long-term inflation rate of 1.15%, which reduces the provision by -13 million euros.

The counterparty to actual discount rate impacts breaks down as follows:

- a financial expense of 65 million euros (see Note 6);
- an increase in the own share of assets of 95 million euros (see Note 9);
- an increase in the third-party share of assets for 1 million euros.

#### **Discount rate**

As of June 30, 2021, Orano applied a discount rate of 3.55% and a long-term inflation assumption of 1.40% (3.42% and 1.15% respectively as of December 31, 2020).

At June 30, 2021, an actual discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for end-of-lifecycle operations by negative 134 million euros with a rate of 2.25% or positive 205 million euros with a rate of 2.05%.

## **END-OF-LIFECYCLE ASSETS**

End-of-lifecycle assets include two items:

- The group's share of end-of-lifecycle assets is classified under property, plant and equipment in the statement of financial position (see Note 9);
- Third-parties' share of end-of-lifecycle assets (described in this Note) corresponds to the financing expected from third parties contributing to the dismantling of certain facilities or equipment which Orano is legally or contractually obliged to dismantle.

<i>(in millions of euros)</i>	Net carrying amount at December 31, 2020	Decrease from period expense	Accretion	Change in assumptions, revised budgets, etc.	Net carrying amount at June 30, 2021
End-of-lifecycle assets – third-party share (regulated *)	117	(9)	2	1	111
End-of-lifecycle assets – third-party share (non-regulated *)	5				5
<b>Total third-party share of assets</b>	<b>122</b>	<b>(9)</b>	<b>2</b>	<b>1</b>	<b>115</b>

(\*) Scope of application of the Act of June 28, 2006

## **FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS**

<i>(in millions of euros)</i>	June 30, 2021		December 31, 2020	
	Net carrying amount	Market value	Net carrying amount	Market value
Portfolio of earmarked securities	7,932	8,107	7,498	7,707
Receivables related to end-of-lifecycle operations	63	63	63	63
<b>Total financial assets earmarked for end-of-lifecycle operations</b>	<b>7,995</b>	<b>8,170</b>	<b>7,561</b>	<b>7,770</b>
Of which earmarked assets (regulated *)	7,932	8,107	7,498	7,707
Of which earmarked assets (non-regulated *)	63	63	63	63

(\*) Scope of application of the Act of June 28, 2006

Receivables related to end-of-lifecycle operations are mainly receivables on EDF and the CEA, resulting from the overfunding of Andra assumed by Orano between 1983 and 1999 (payment by Orano of contributions divided between nuclear operators above its share).

As of June 30, 2021, for the end-of-lifecycle obligations falling within the scope of Articles L. 594-1 *et seq.* of the French Environmental Code, the legal entities comprising Orano had earmarked assets representing 102.9% of end-of-lifecycle liabilities (100.0% at December 31, 2020). This coverage ratio is determined as follows:

<i>(in millions of euros)</i>	June 30, 2021	December 31, 2020
<b>Provisions for end-of-lifecycle operations (regulated *)</b>	<b>7,990</b>	<b>7,821</b>
Earmarked financial assets at market value (regulated *)	8,107	7,707
Third-party assets (regulated *)	111	117
<b>Earmarked for end-of-lifecycle operations (regulated *)</b>	<b>8,218</b>	<b>7,824</b>
(Deficit)/Surplus of earmarked assets (regulated *)	228	3
<b>Coverage ratio (regulated *)</b>	<b>102.9%</b>	<b>100.0%</b>

(\*) Scope of application of the Act of June 28, 2006

## NOTE 12 - INFORMATION RELATING TO JOINT VENTURES AND ASSOCIATES

### SHARE IN NET INCOME OF JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020</b>
Cominak (*)	10	4
ETC	4	2
SI-nerGIE	(8)	(1)
Other joint ventures	0	(0)
<b>Total</b>	<b>5</b>	<b>5</b>

(\*) Two months of activity prior to the takeover of the OURD shares at end-February 2021 (see Note 1)

### INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Interim Storage Partner	6	5
Other joint ventures	1	1
<b>Total</b>	<b>7</b>	<b>6</b>

### SHARE IN NEGATIVE NET EQUITY OF JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Cominak (*)	-	42
ETC	17	14
SI-nerGIE	8	1
<b>Total</b>	<b>26</b>	<b>57</b>

(\*) Acquisition of control following the takeover of the OURD shares at the end of February 2021 (see Note 1)

## NOTE 13 - OTHER NON-CURRENT AND CURRENT ASSETS

### OTHER NON-CURRENT ASSETS

<i>(in millions of euros)</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Derivatives on financing activities	16	41
Other assets	144	113
<b>Total</b>	<b>160</b>	<b>154</b>

Other assets include inventories of uranium and deposits to finance future expenditure for the redevelopment of mining sites internationally in the amount of 104 million euros as of June 30, 2021 (81 million euros as of December 31, 2020).

### OTHER CURRENT FINANCIAL ASSETS

<i>(in millions of euros)</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Derivatives on financing activities	-	5
Cash management financial assets	440	444
Other financial assets	23	10
<b>Total</b>	<b>464</b>	<b>460</b>

## NOTE 14 - CASH AND CASH EQUIVALENTS

	June 30, 2021	December 31, 2020
<i>(in millions of euros)</i>		
Cash	705	784
Cash equivalents	462	770
<b>Net amount</b>	<b>1,168</b>	<b>1,554</b>

At June 30, 2021, cash and cash equivalents included cash and cash equivalents not immediately available to the group in the amount of 273 million euros (221 million euros as of December 31, 2020), chiefly reflecting regulatory restrictions in the amount of 88 million euros and legal restrictions in international markets in the amount of 185 million euros.

## NOTE 15 - CAPITAL

Orano's share capital broke down as follows:

	June 30, 2021	December 31, 2020
French State	54% + 1 share	50% + 1 share
AREVA SA	16%	20%
Natixis (*)	10%	10%
Caisse des Dépôts (*)	10%	10%
CEA	1 share	1 share
MHI	5%	5%
JNFL	5%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

(\*) Under a trust agreement and as security on behalf of certain AREVA SA lenders, AREVA SA transferred 10% of the capital of Orano SA to Caisse des Dépôts and 10% of the capital of Orano SA to Natixis. Pursuant to the shareholders' agreement, it was nevertheless agreed that the voting rights held by Caisse des Dépôts and Natixis will be exercised exclusively in accordance with the instructions given by AREVA SA, pursuant to the provisions of the agreement.

On February 22, 2021, the French State acquired 10,566,111 shares, *i.e.* 4.0% of the share capital of Orano SA from AREVA SA.

## NOTE 16 - EMPLOYEE BENEFITS

The discount rate used to value commitments as of June 30, 2021 was 0.90% for the euro zone (0.45% as of December 31, 2020) and 2.20% for the US zone (compared with 1.90% as of December 31, 2020).

### NET AMOUNT RECOGNIZED

	Medical expenses and accident/di sability insurance	Retirement benefits	Job-related awards	Early retirement benefits	Supplemen tal retirement benefits	Total
<b>As of June 30, 2021</b>						
<i>(in millions of euros)</i>						
Defined benefit obligation	2	348	8	655	42	<b>1,054</b>
Fair value of plan assets				(15)	(36)	<b>(51)</b>
<b>Total defined benefit obligation</b>	<b>2</b>	<b>348</b>	<b>8</b>	<b>640</b>	<b>5</b>	<b>1,003</b>

## CHANGE IN THE DEFINED BENEFIT OBLIGATION

<i>(in millions of euros)</i>	Medical expenses and accident/disability insurance	Retirement benefits	Job-related awards	Early retirement benefits	Supplemental retirement benefits	Total
<b>Defined benefit obligation as of December 31, 2020</b>	4	367	8	700	43	1,121
Current service cost		9		10		19
Past service costs (including plan changes and reductions)	(1)					(1)
Disposals/Liquidation/Plan reductions						
Discount cost		1		1		2
Benefits paid during the year		(12)		(31)	(1)	(44)
Employee contributions						
Mergers, acquisitions, transfers						
Plan transfer						
Actuarial difference		(17)		(24)		(42)
Currency translation adjustments						
<b>Defined benefit obligation as of June 30, 2021</b>	2	348	8	655	42	1,054

## NOTE 17 - OTHER PROVISIONS

<i>(in millions of euros)</i>	December 31, 2020	Charges	Reversal (when risk has materialized)	Reversal (when risk has not materialized)	Other changes (*)	June 30, 2021
Mining site redevelopment and decommissioning of treatment facilities	285	1	(7)	-	110 (**)	389
Other non-current provisions	3	-	-	-	-	3
<b>Other non-current provisions</b>	<b>288</b>	<b>1</b>	<b>(7)</b>	<b>-</b>	<b>110</b>	<b>392</b>
Restructuring and layoff plans	0	-	-	-	-	-
Provisions for onerous contracts	220	5	(16)	(6)	-	203
Provisions for contract completion	1,608	65	(48)	(3)	46	1,668
Other current provisions	360	5	(11)	(15)	13	352
<b>Current provisions</b>	<b>2,188</b>	<b>75</b>	<b>(75)</b>	<b>(24)</b>	<b>60</b>	<b>2,224</b>
<b>Total provisions</b>	<b>2,476</b>	<b>76</b>	<b>(82)</b>	<b>(24)</b>	<b>170</b>	<b>2,616</b>

(\*) Including 60 million euros in accretion and changes in discount and inflation rates

(\*\*) Including 91 million euros following the integration of Cominak

## PROVISIONS FOR ONEROUS CONTRACTS

Provisions for onerous contracts mainly concern the Front End segment. For the conversion business, the backlog of orders over the year resulted in reversals of provisions in the amount of 14 million euros.

## PROVISIONS FOR CONTRACT COMPLETION

The main provisions for the financial year relate to future costs of treatment and storage services for waste and scrap generated by operations.

The main reversals during the financial year relate to the expenses incurred for the treatment and storage of previously provisioned waste and scrap.

## Discount rate

As of June 30, 2021, Orano applied a discount rate of between 3.02% and 3.15% and a long-term inflation rate of 1.40%.

As of December 31, 2020, Orano had assumed a discount rate of between 2.89% and 3.05% and a long-term inflation rate of 1.15%.

As of June 30, 2021, a discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for contract completion by a negative or positive 28 million euros.

## OTHER CURRENT PROVISIONS

As of June 30, 2021, other current provisions include:

- provisions for disputes;
- provisions for customer guarantees;
- provisions for ongoing cleanup;
- provisions for the restoration of leased assets;
- provisions for contingencies;
- provisions for charges.

## NOTE 18 - FINANCIAL LIABILITIES

<i>(in millions of euros)</i>	Non-current liabilities	Current liabilities	June 30, 2021	December 31, 2020
Bond debt (*)	2,762	200	2,962	3,682
Accrued interest not yet due on bond debts	-	45	45	71
Bank borrowings	5	-	5	5
Interest-bearing advances	237	37	273	262
Short-term bank facilities and current accounts in credit (**)	-	61	61	71
Miscellaneous debt	1	-	1	34
Financial derivatives	-	70	70	65
<b>Total</b>	<b>3,005</b>	<b>412</b>	<b>3,417</b>	<b>4,191</b>

(\*) after interest rate risk management

(\*\*) of which financial current account credit to the ETC joint venture for 48 million euros (compared to 58 million euros at December 31, 2020).

## CHANGE IN FINANCIAL LIABILITIES

<i>(in millions of euros)</i>	
<b>Value as of December 31, 2020</b>	<b>4,191</b>
Cash flows	(845)
<b>Non-cash flows:</b>	
Accrued interest not yet due on borrowings	45
Currency translation adjustments	42
Other adjustment	(15)
<b>Value as of June 30, 2021</b>	<b>3,417</b>

**Reconciliation of cash flows on financial liabilities between the note on financial liabilities and cash flows from financing activities:**

*(in millions of euros)*

<b>Cash flows on financial liabilities</b>	<b>(845)</b>
Interest paid	60
Financial instruments – Assets	58
Short-term bank facilities and current accounts in credit	11
<b>Cash flows of financial liabilities included in financing activities</b>	<b>(715)</b>

**BOND ISSUES**

<i>Issue date</i>	<b>Balance sheet value</b> <i>(in millions of euros)</i>	<b>Currency</b>	<b>Nominal</b> <i>(in millions of currency)</i>	<b>Nominal rate</b>	<b>Term/Expiration</b>
September 23, 2009	763	EUR	750	4.875%	September 23, 2024
April 4, 2012	200	EUR	200	TEC10 +2.125%	March 21, 2022
March 20, 2014	763	EUR	750	3.125%	March 20, 2023
April 23, 2019	743	EUR	750	3.375%	April 23, 2026
September 8, 2020	493	EUR	500	2.75%	March 08, 2028
<b>TOTAL</b>	<b>2,962</b>				

The fair value of this bond debt was 3,172 million euros as of June 30, 2021.

NOTE 19 - ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

**FINANCIAL ASSETS AND LIABILITIES BY CATEGORY**

June 30, 2021

**Assets**

(in millions of euros)	Balance sheet value	Non-financial assets	Financial assets		Fair value
			At amortized cost	At fair value through profit or loss	
<b>Non-current assets</b>	<b>8,155</b>	<b>60</b>	<b>599</b>	<b>7,497</b>	<b>8,270</b>
Financial assets earmarked for end-of-lifecycle operations	7,995		519 (*)	7,476	8,170
Other non-current assets	160	60	80	20	100
<b>Current assets</b>	<b>3,079</b>	<b>520</b>	<b>1,867</b>	<b>691</b>	<b>2,558</b>
Trade accounts receivable and related accounts	770		770		770
Other operating receivables	636	480	44	113	156
Other non-operating receivables	41	40			
Other current financial assets	464		23	440	464
Cash and cash equivalents	1,168		1,030	138	1,168
<b>Total assets</b>	<b>11,234</b>	<b>580</b>	<b>2,466</b>	<b>8,188</b>	<b>10,828</b>

(\*) Including bond mutual funds for 456 million euros.

(in millions of euros)	TOTAL
Hedging financial assets measured at amortized cost	519
Hedging financial assets of operations measured at fair value through profit or loss	7,476
<b>Hedging financial assets (carrying amount)</b>	<b>7,995</b>
Change in fair value of the assets at amortized cost (bond mutual funds)	174
<b>Fair value of hedging financial assets</b>	<b>8,170</b>
Other financial assets measured at fair value through profit or loss	711
<b>Fair value of financial assets analyzed by valuation technique</b>	<b>8,881</b>
Other financial assets measured at amortized cost	1,947
<b>Fair value of financial assets</b>	<b>10,828</b>

**Breakdown of assets recognized at fair value by valuation technique**

(in millions of euros)	Level 1 Listed prices, unadjusted	Level 2 Observable inputs	Level 3 Non-observable inputs	Total
<b>Non-current assets</b>	<b>7,288</b>	<b>897</b>	<b>4</b>	<b>8,190</b>
Financial assets earmarked for end-of-lifecycle operations	7,288	881		8,170
Other non-current financial assets		16	4	20
<b>Current assets</b>	<b>578</b>	<b>113</b>		<b>691</b>
Other operating receivables		113		113
Other current financial assets	440			440
Cash and cash equivalents	138			138
<b>Total assets</b>	<b>7,867</b>	<b>1,010</b>	<b>4</b>	<b>8,881</b>

## Liabilities and equity

<i>(in millions of euros)</i>	<b>Balance sheet value</b>	<b>Non-financial liabilities</b>	<b>Financial liabilities</b>		<b>Fair value</b>
			<b>At amortized cost</b>	<b>At fair value through profit or loss (*)</b>	
<b>Non-current liabilities</b>	<b>3,068</b>		<b>3,068</b>		<b>3,277</b>
Non-current financial liabilities	3,005		3,005		3,213
Non-current lease liabilities	63		63		63
<b>Current liabilities</b>	<b>2,232</b>	<b>226</b>	<b>1,928</b>	<b>78</b>	<b>2,007</b>
Current financial liabilities	412		340	72	414
Current lease liabilities	24		24		24
Trade payables and related accounts	871		871		871
Other operating liabilities	916	225	685	6	691
Other non-operating liabilities	9	1	8		8
<b>Total liabilities</b>	<b>5,300</b>	<b>226</b>	<b>4,996</b>	<b>78</b>	<b>5,284</b>

(\*) Level 2

**December 31, 2020**

## Assets

<i>(in millions of euros)</i>	<b>Balance sheet value</b>	<b>Non-financial assets</b>	<b>Financial assets</b>		<b>Fair value</b>
			<b>At amortized cost</b>	<b>At fair value through profit or loss</b>	
<b>Non-current assets</b>	<b>7,715</b>	<b>42</b>	<b>622</b>	<b>7,051</b>	<b>7,881</b>
Financial assets earmarked for end-of-lifecycle operations	7,561		558 (*)	7,004	7,770
Other non-current assets	154	42	64	47	111
<b>Current assets</b>	<b>3,465</b>	<b>546</b>	<b>1,853</b>	<b>1,067</b>	<b>2,919</b>
Trade accounts receivable and related accounts	681		681		681
Other operating receivables	728	505	51	172	223
Other non-operating receivables	42	41	1		1
Other current financial assets	460		10	449	460
Cash and cash equivalents	1,554		1,109	446	1,554
<b>Total assets</b>	<b>11,180</b>	<b>588</b>	<b>2,474</b>	<b>8,118</b>	<b>10,801</b>

(\*) Including bond mutual funds for 456 million euros.

<i>(in millions of euros)</i>	<b>TOTAL</b>
Hedging financial assets measured at amortized cost	558
Hedging financial assets of operations measured at fair value through profit or loss	7,004
<b>Hedging financial assets (carrying amount)</b>	<b>7,561</b>
Change in fair value of the assets at amortized cost (bond mutual funds)	209
<b>Fair value of hedging financial assets</b>	<b>7,770</b>
Other financial assets measured at fair value through profit or loss	1,114
<b>Fair value of financial assets analyzed by valuation technique</b>	<b>8,884</b>
Other financial assets measured at amortized cost	1,917
<b>Fair value of financial assets</b>	<b>10,801</b>

**Breakdown of assets recognized at fair value by valuation technique**

<i>(in millions of euros)</i>	Level 1 Listed prices, unadjusted	Level 2 Observable inputs	Level 3 Non- observable inputs	Total
<b>Non-current assets</b>	<b>6,936</b>	<b>875</b>	<b>6</b>	<b>7,817</b>
Financial assets earmarked for end-of-lifecycle operations	6,936	835		7,770
Other non-current financial assets		41	6	47
<b>Current assets</b>	<b>890</b>	<b>177</b>	<b>-</b>	<b>1,067</b>
Other operating receivables		172		172
Other current financial assets	444	5		449
Cash and cash equivalents	446			446
<b>Total assets</b>	<b>7,825</b>	<b>1,052</b>	<b>6</b>	<b>8,884</b>

**Liabilities and equity**

<i>(in millions of euros)</i>	Balance sheet value	Non- financial liabilities	Financial liabilities		Fair value
			At amortized cost	At fair value through profit or loss (*)	
<b>Non-current liabilities</b>	<b>3,275</b>	<b>-</b>	<b>3,269</b>	<b>6</b>	<b>3,504</b>
Non-current financial liabilities	3,206		3,200	6	3,435
Non-current lease liabilities	69		69		69
<b>Current liabilities</b>	<b>2,714</b>	<b>154</b>	<b>2,489</b>	<b>72</b>	<b>2,560</b>
Current financial liabilities	985		916	69	985
Current lease liabilities	27		27		27
Trade payables and related accounts	914		914		914
Other operating liabilities	784	153	628	3	631
Other non-operating liabilities	4	1	3		3
<b>Total liabilities</b>	<b>5,989</b>	<b>154</b>	<b>5,758</b>	<b>77</b>	<b>6,065</b>

(\*) Level 2

**NOTE 20 - TRANSACTIONS WITH RELATED PARTIES**

Transactions between the parent company, Orano SA, and its subsidiaries, as well as between the group's subsidiaries and joint operations, were eliminated on consolidation and are not disclosed in this note.

Related party transactions include:

- current transactions with non-consolidated companies, associates, joint ventures and, in particular, companies controlled by the French State;
- the gross compensation and benefits granted to directors and the members of the Executive Committee.

The nature of related party transactions has not changed significantly since December 31, 2020.

## NOTE 21 - COMMITMENTS GIVEN AND RECEIVED

<i>(in millions of euros)</i>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
<b>COMMITMENTS GIVEN</b>	<b>621</b>	<b>580</b>
Operating commitments given	582	542
• <i>Contract guarantees given</i>	526	485
• <i>Other operating guarantees</i>	56	57
Commitments given on financing	25	25
Other commitments given	14	13
<b>COMMITMENTS RECEIVED</b>	<b>108</b>	<b>100</b>
Operating commitments received	102	95
Commitments received on collateral	-	2
Other commitments received	7	3
<b>RECIPROCAL COMMITMENTS</b>	<b>1,238</b>	<b>1,242</b>

## NOTE 22 - DISPUTES AND CONTINGENT LIABILITIES

Orano may be party to certain regulatory, judicial or arbitration proceedings in the normal course of business. The group is also the subject of certain claims, lawsuits or regulatory proceedings outside the ordinary course of business, the most significant of which are summarized below.

### URAMIN CASE

In June 2018, Orano SA and Orano Mining entered into the “acquisition” part of the judicial investigation in the Uramin case. AREVA SA, the former holding company of the AREVA group, filed a civil suit as part of this investigation following a “notice to victim” received from the investigating magistrate in charge of the case in 2015. The Orano group intends to defend its interests through Orano SA and Orano Mining. The judicial investigation is still in progress and no date concerning a possible judgment has been put forward to date.

### INVESTIGATIONS

The company has been aware, since November 28, 2017, of a preliminary investigation opened by the National Financial Prosecutor's Office at the end of July 2015 concerning a uranium trading operation carried out in 2011. It also learned, on November 23, 2020, that a judicial investigation in the same case had been opened. Since August 27, 2018, it has also been aware of an investigation into the circumstances surrounding the granting of mining licenses in Mongolia. Orano is working with the legal authorities in connection with these legal proceedings, which are ongoing. If it were found that there had been misappropriation or any other act that could have harmed the group, Orano would take the necessary legal action to defend its interests.

### LIBERATION OF THE ARLIT HOSTAGES

On October 6, 2016, the manager of a protection services company sued AREVA SA and Orano Cycle (now Orano Démantèlement) before the Nanterre Tribunal de Grande Instance to obtain payment of a success fee that he claims to be due for services he claims to have rendered to the AREVA group in Niger between September 2010 and October 2013. AREVA SA and Orano Cycle consider these claims to be unfounded. Along with that proceeding, the parties to the suit tried to settle under court-appointed mediation. Despite the efforts of AREVA and Orano to find a compromise, this was unsuccessful. The procedure on the merits therefore resumed in 2020. Even if the court should not accept the Orano group's position, the financial impact would be limited, though it could entail other, indirect consequences, such as in the media.

## **KATCO**

Katco is currently in litigation with the Ministry of Energy due to the latter's refusal to sign amendment 10 to the contract for the use of the subsoil concerning the changes made to the extraction program from 2020 to 2034. On December 24, 2020, Katco filed a complaint with the Supreme Court of the Republic of Kazakhstan challenging the position and inaction of the Ministry of Energy with a view to signing this amendment.

Due to the uncertainty inherent in court decisions, the current position of the Ministry of Energy could affect the ability of Katco to operate in the medium term to its contractual capacity. However, the management of Katco, supported by its shareholders, is implementing actions to resolve the situation.

## **APPEALS AGAINST CERTAIN ADMINISTRATIVE DECISIONS CONCERNING THE ACTIVITIES OF THE ORANO GROUP**

The activities of the Orano group require the receipt of various authorizations or administrative decisions (such as prefectural orders, building permits, etc.). These decisions are sometimes challenged, in France and on the part of NGOs, which in certain cases can have an impact on the timetable for carrying out the relevant activities.

## **TAX PROCEEDINGS AND DISPUTES**

The group, comprising entities located in different countries, regularly faces controls by local tax and customs authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts. However, none are expected to give rise to, or has given rise to, material tax expense that could have a significant impact on the financial statements. The group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

## **CONTINGENT LIABILITIES**

The group owns uranium and thorium materials that are currently not fully recovered. After processing, these materials should bring economic benefits to the group in the future. However, in the event of a change in regulations or the finding of unfeasible economic assumptions, the group may be required to set aside provisions for the processing and storage of these materials.

## **NOTE 23 - BACKLOG**

As of June 30, 2021, Orano's backlog amounted to 26.3 billion euros.

## **NOTE 24 - SUBSEQUENT EVENTS**

The Orano group has joined forces with recognized partners to test an innovative process for recycling the metals contained in the batteries of electric vehicles. Brought together within a consortium, Orano and its partners will develop the RECYVABAT project (*Recyclage et Valorisation de Batteries* (Recycling and Recovery of Batteries)).

Industrial pilots will be built at the new CIME (Center for Innovation in Extractive Metallurgy) facilities at the Orano Mining site in Bessines-sur-Gartempe in the Limousin region in order to conduct technical trials and tests on the process.

The RECYVABAT project meets the criteria of the recovery plan initiated by the government as well as the roadmap of projects supported by the Nouvelle Aquitaine Region and accordingly benefits from subsidies.

On July 12, 2021, in its role as trustee of the trust set up by AREVA SA for the benefit of its lenders, Caisse des Dépôts et consignations sold 12,121,953 Orano SA shares to the French State. As a result, this trust was closed and the balance of the 26,415,277 Orano SA shares held until then by Caisse des Dépôts et consignations, i.e. 14,293,324 shares, was transferred to AREVA SA. On July 13, 2021, AREVA SA sold 31,698,333 Orano SA shares to the French State. Since that date, the French State has held 70.59 % of Orano SA's share capital, the CEA holds one share, AREVA SA 9.41 %, JNFL and MHI 5 % each and Natixis 10 %.