



orano

2021 annual results

February 25, 2022

Philippe Knoche, Chief Executive Officer

David Claverie, Chief Financial Officer

Contents

1

Key messages

3

Outlook

2

Results

4

Q&A

1

Key messages



orano

Giving nuclear energy its full value

Highlights of 2021

January

- Orano NPS: the new TN Eagle packaging approved by the French Nuclear Safety Authority

March

- End of production at the Cominak mine in Niger

April

- **Orano presents its purpose and its roadmap for 2030**
- Restart of production at Cigar Lake mine in Canada after Covid-related interruptions in January

July

- Orano and its industrial partners launch a pilot project for the recycling of electric vehicle batteries
- Orano Med inaugurates the extension of the Maurice Tubiana laboratory and the extension of its R&D center

August

- **Signature of contracts for the management of the German nuclear waste—Improved outlook for 2021**

September

- Prime Minister Jean Castex inaugurates Orano's Extractive Metallurgy Innovation Center
- Acquisition of Daher's nuclear activities in Germany and the United States

October

- **RTE report "Energy Futures 2050"**
- Orano's new stable isotope laboratory: a first in France
- Acquisition of Société de Transports Spéciaux Industriels (STSI) from the Geodis group

November

- **The French Presidency confirms its choice in favor of nuclear energy**

December

- Restart of the UP3 plant in La Hague, shut down since mid-September
- Orano and its partners launch the "Factories of Tomorrow" project.

A more favorable environment for nuclear energy



Clear support from the French State



An energy retained in the European taxonomy

Survey



(BVA study–May 2021)

58%

of French people mistakenly believe that nuclear energy produces CO2 and has an impact on the climate vs. 69% two years ago

Progressively a better informed public opinion



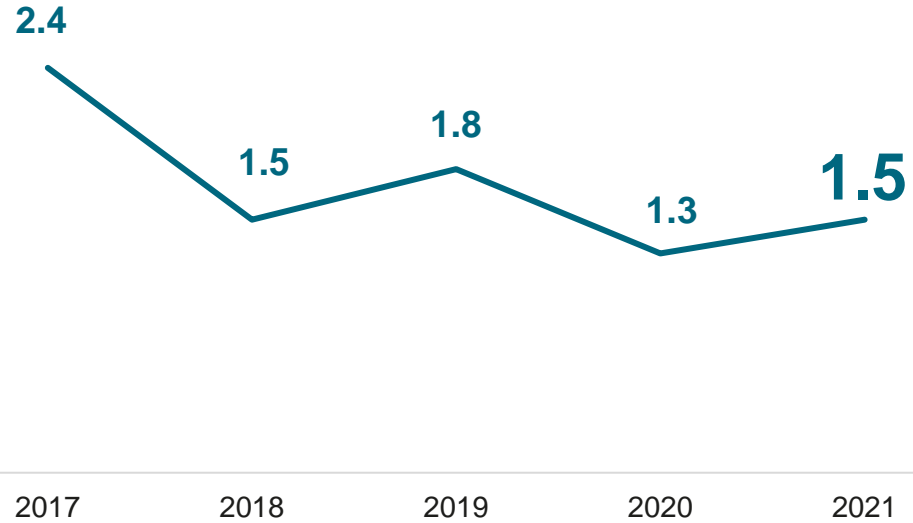
Forward-looking scenarios using nuclear power in the energy mix

Validation of the benefits of nuclear power

Our Safety and Security fundamentals

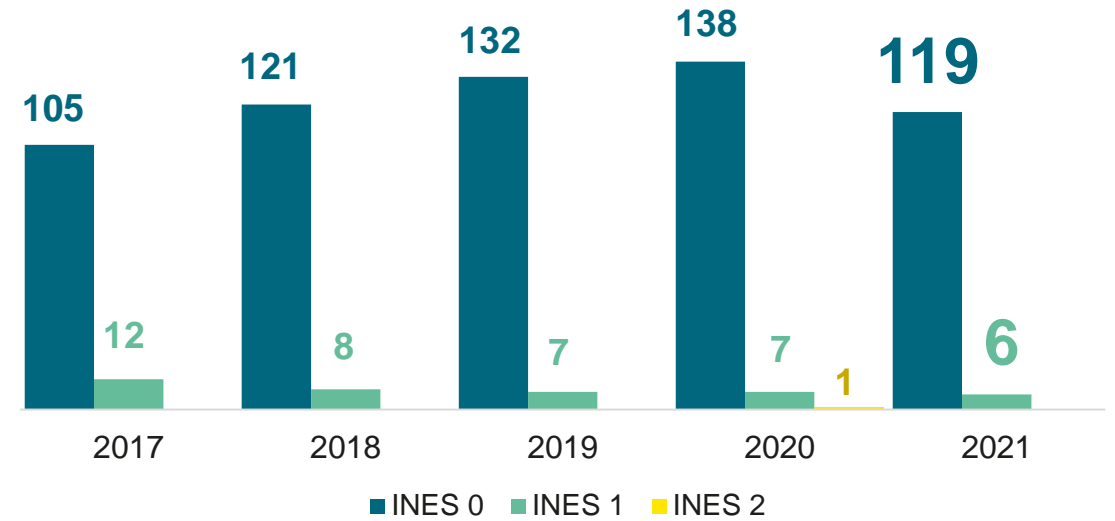
Occupational safety

Frequency rate of workplace accidents with lost time



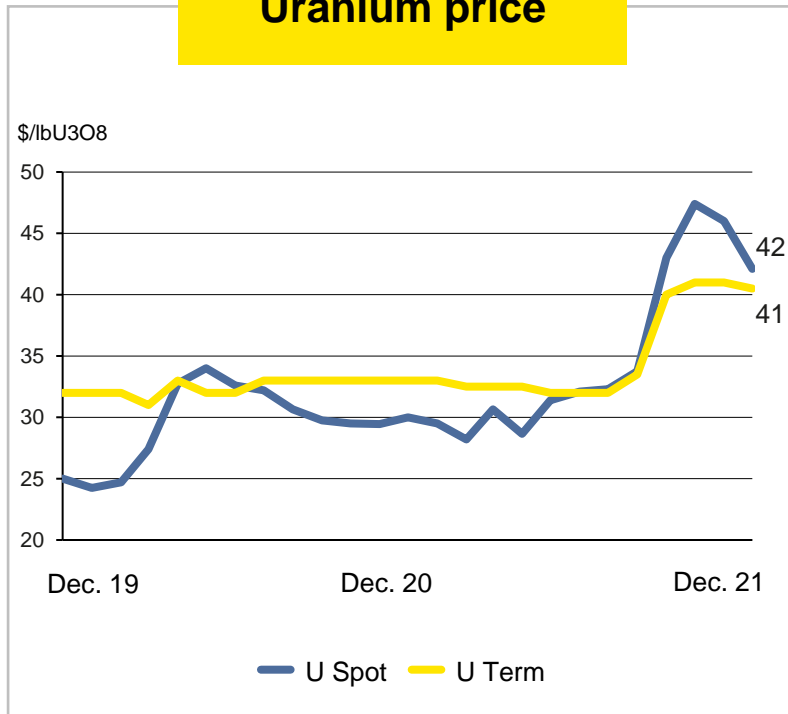
Nuclear safety

Number of INES 0–INES 1 and INES 2 events

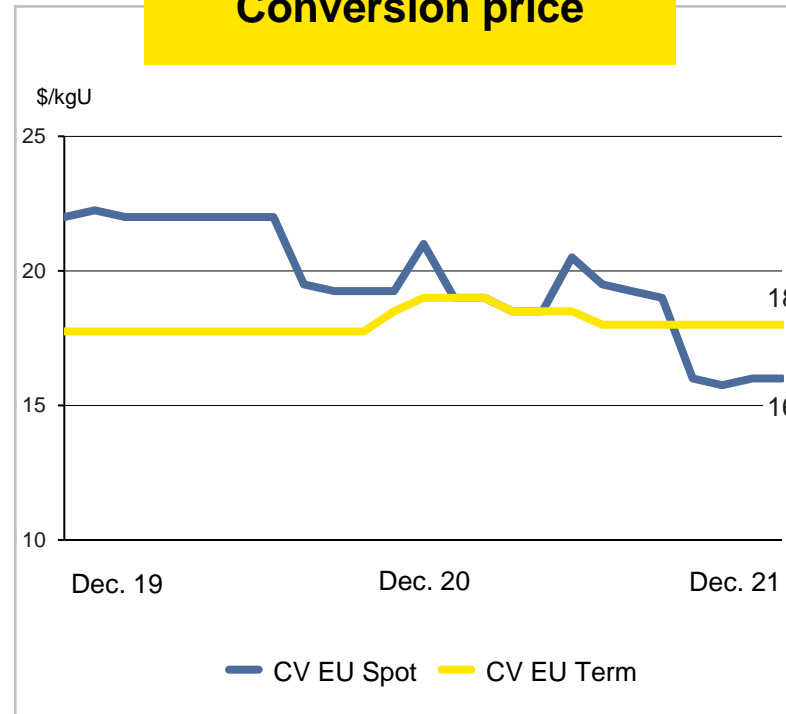


Price trends in our markets

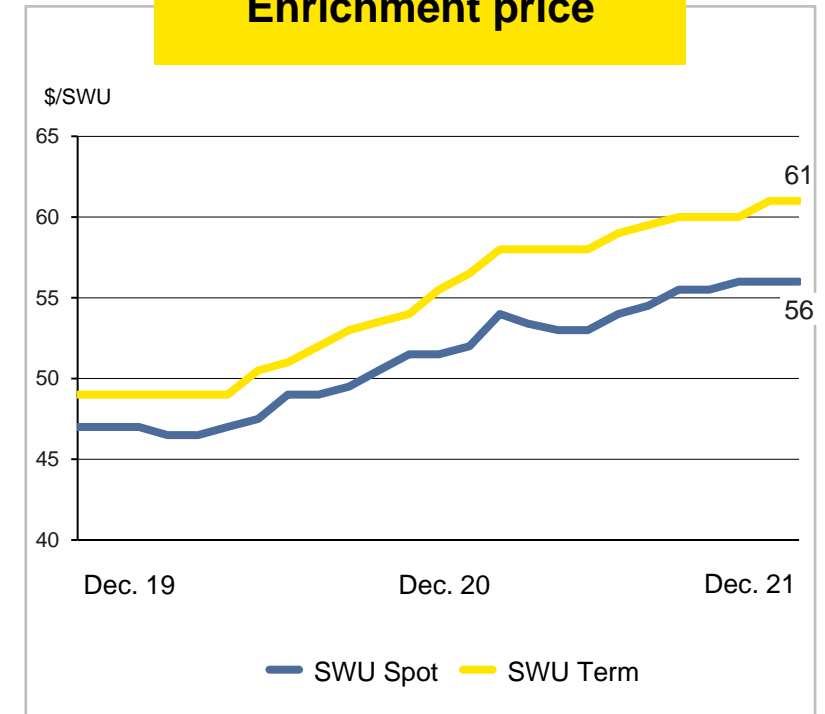
Uranium price



Conversion price



Enrichment price



Source: UxC

Sustained export sales momentum

Sales contracts

€3.1 bn in order intakes

90% Export



Almost 40% of new order intakes concern contracts for natural uranium supply and enrichment and conversion services in the United States, Europe and Asia



Contracts for the return of German waste for more than €1 bn, settling all of the commitments made in the past for waste from German utilities

Backlog*

Over 6 years of revenue

26,994

Dec. 31, 2020

25,774

Dec. 31, 2020

* in millions of euros

Strong results for 2021 driven by the balance of long-term export contracts



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



2

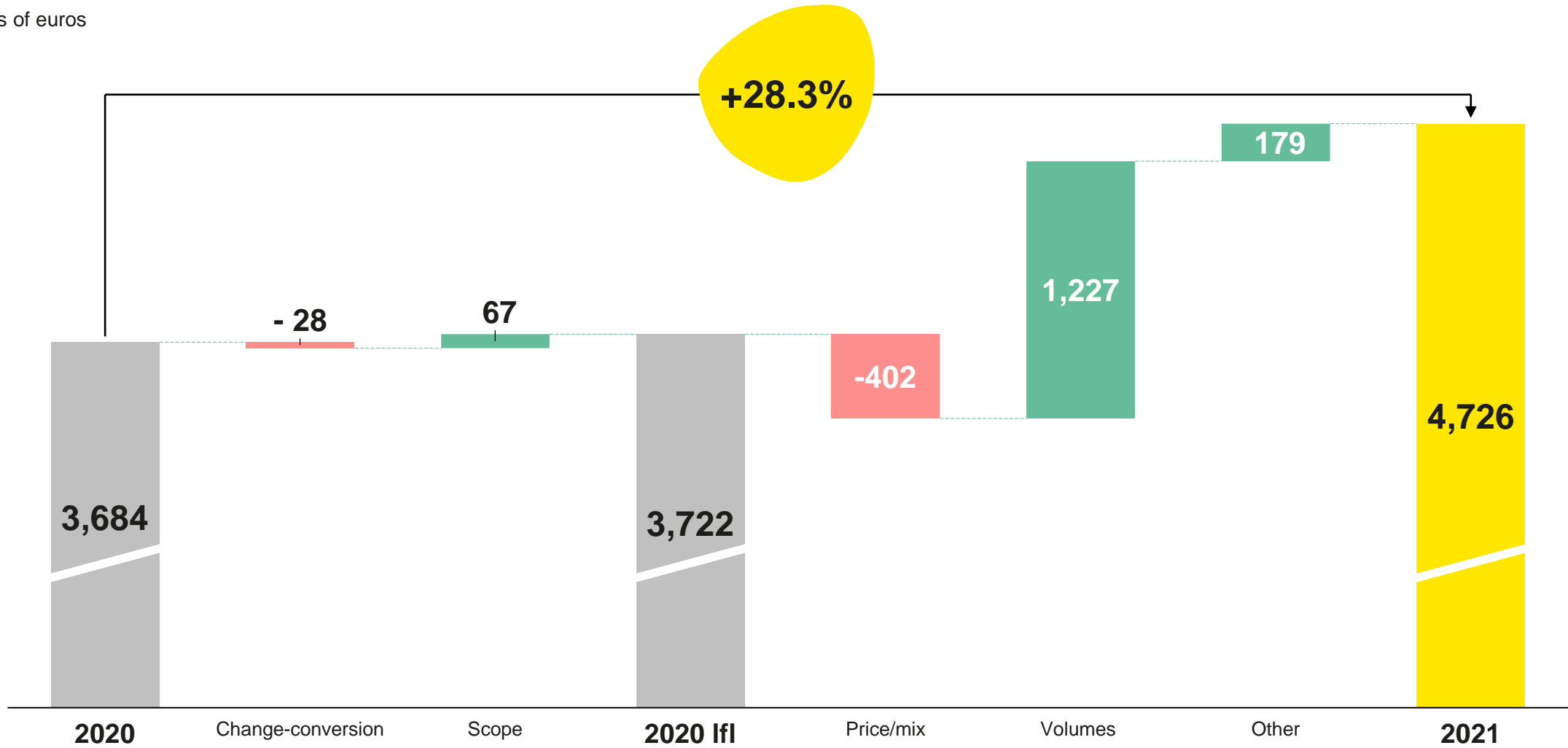
Results at December 31, 2021

a. Statement of income



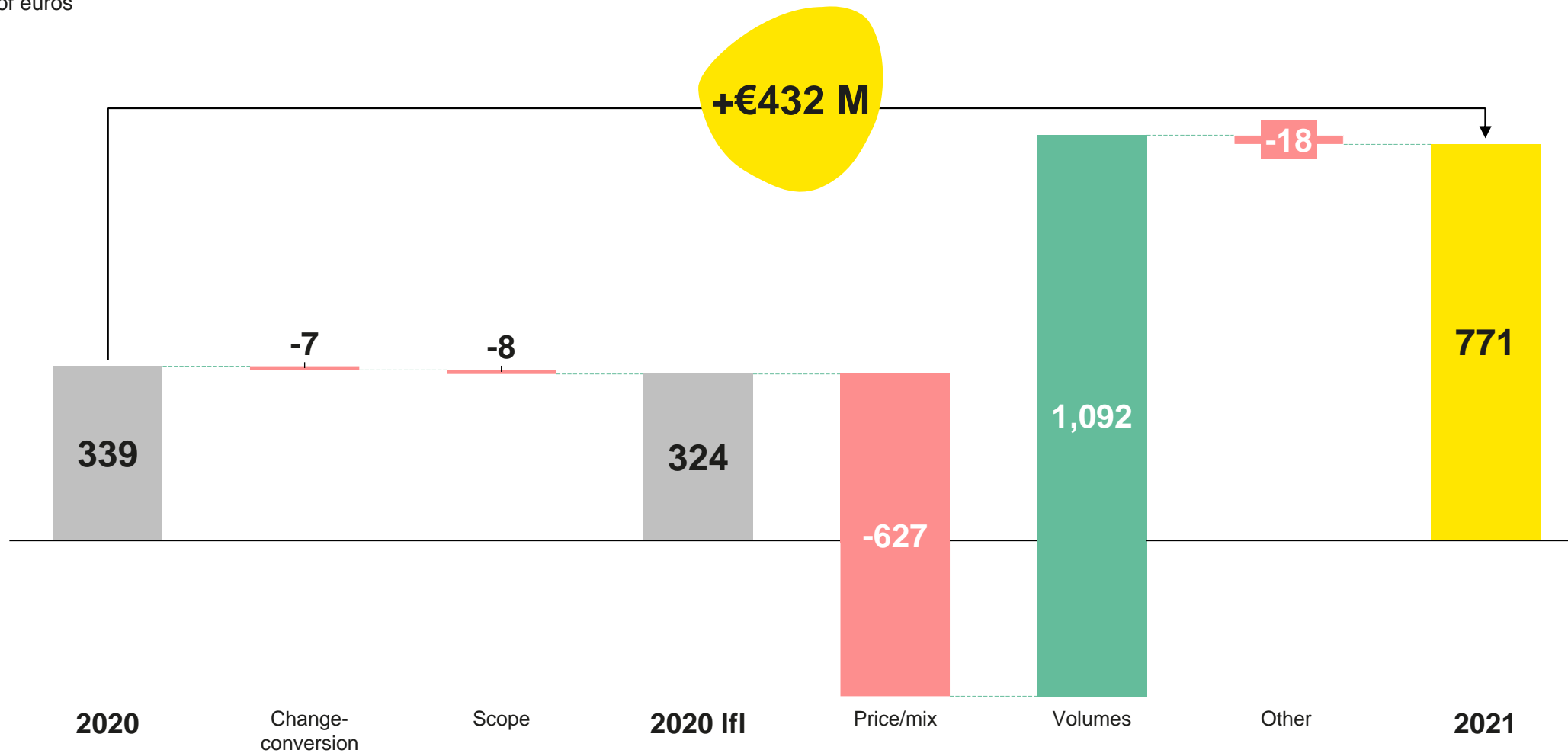
Strong growth in revenue

In millions of euros



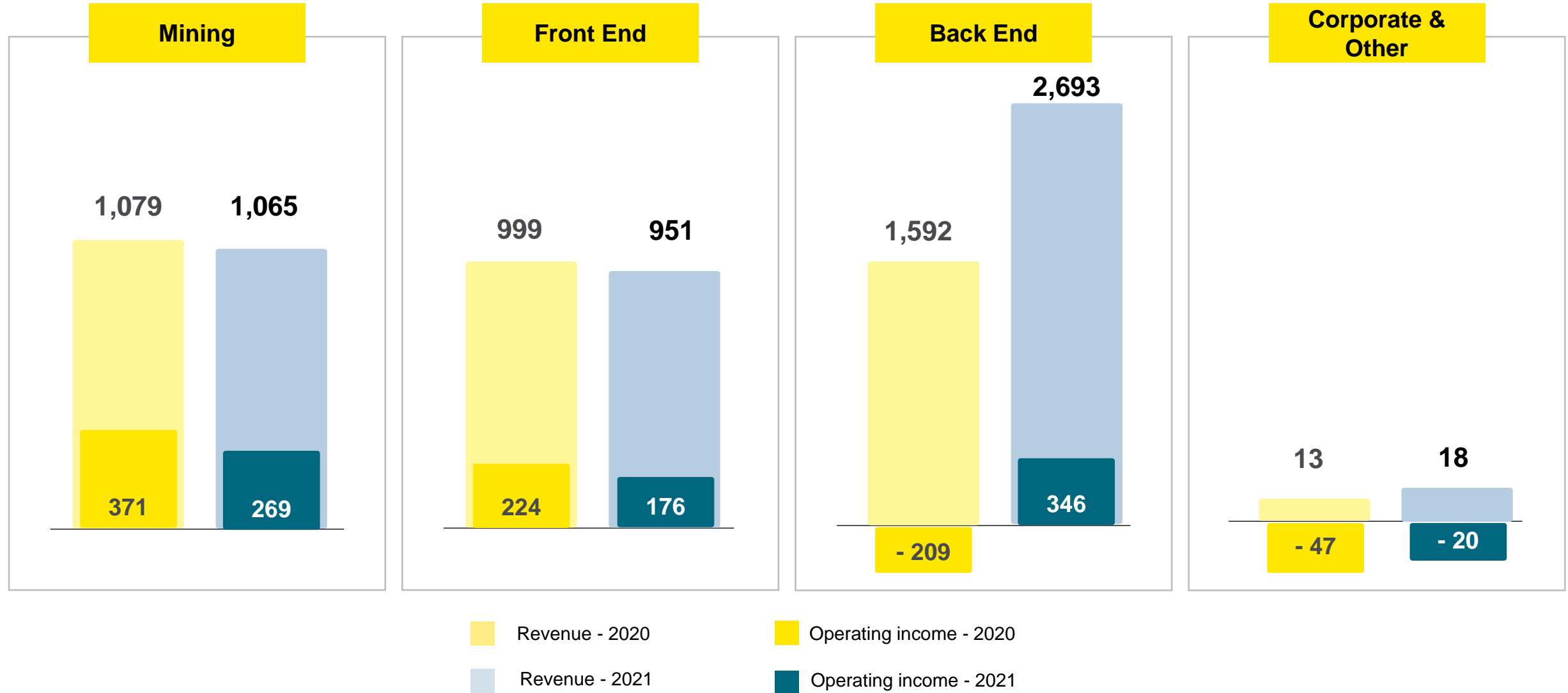
Operating income up with mixed effects

In millions of euros



Change in revenue and operating income by business

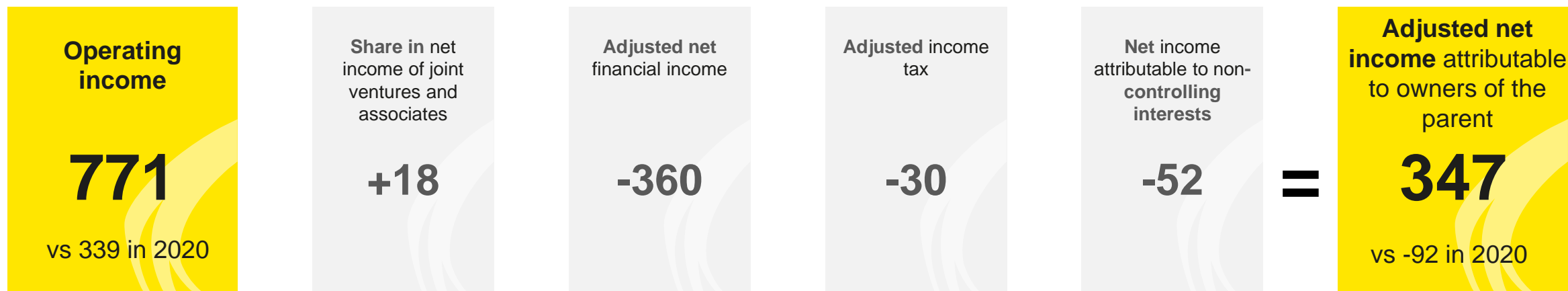
In millions of euros



Adjusted net income for 2021*

In millions of euros

Transition from operating income to adjusted net income



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



Net income as reported 2021

In millions of euros

Transition from adjusted net income to reported net income

Adjusted net income attributable to owners of the parent

347

vs -92 in 2020

Undiscounting of end-of-lifecycle liabilities

-266

Net impact of rate changes on end-of-lifecycle commitments

-231

Return on earmarked assets

+828

Effect of tax adjustments

0

=

Reported net income attributable to owners of the parent

678

vs -71 in 2020



2

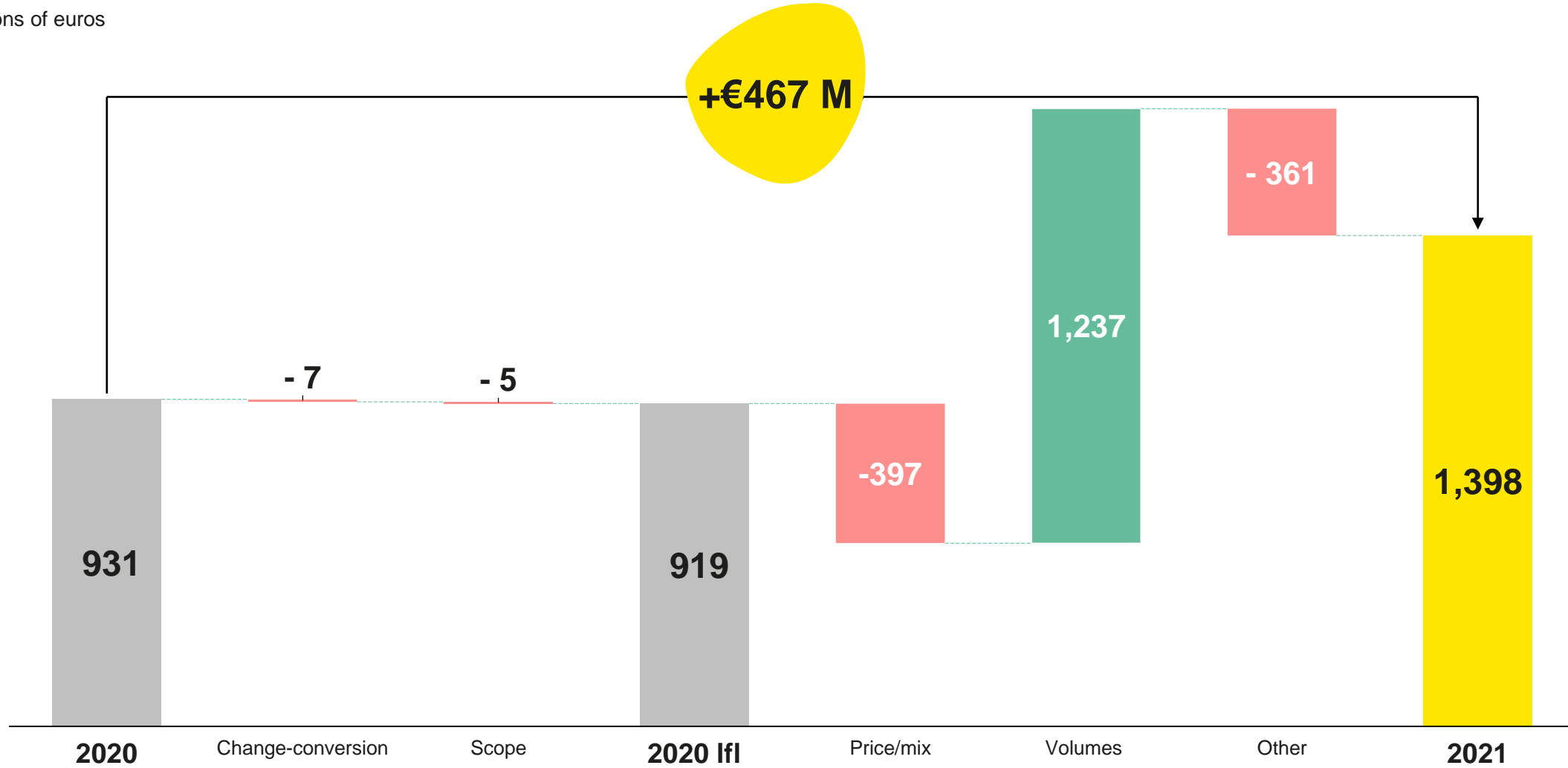
Results at December 31, 2021

b. Cash flow



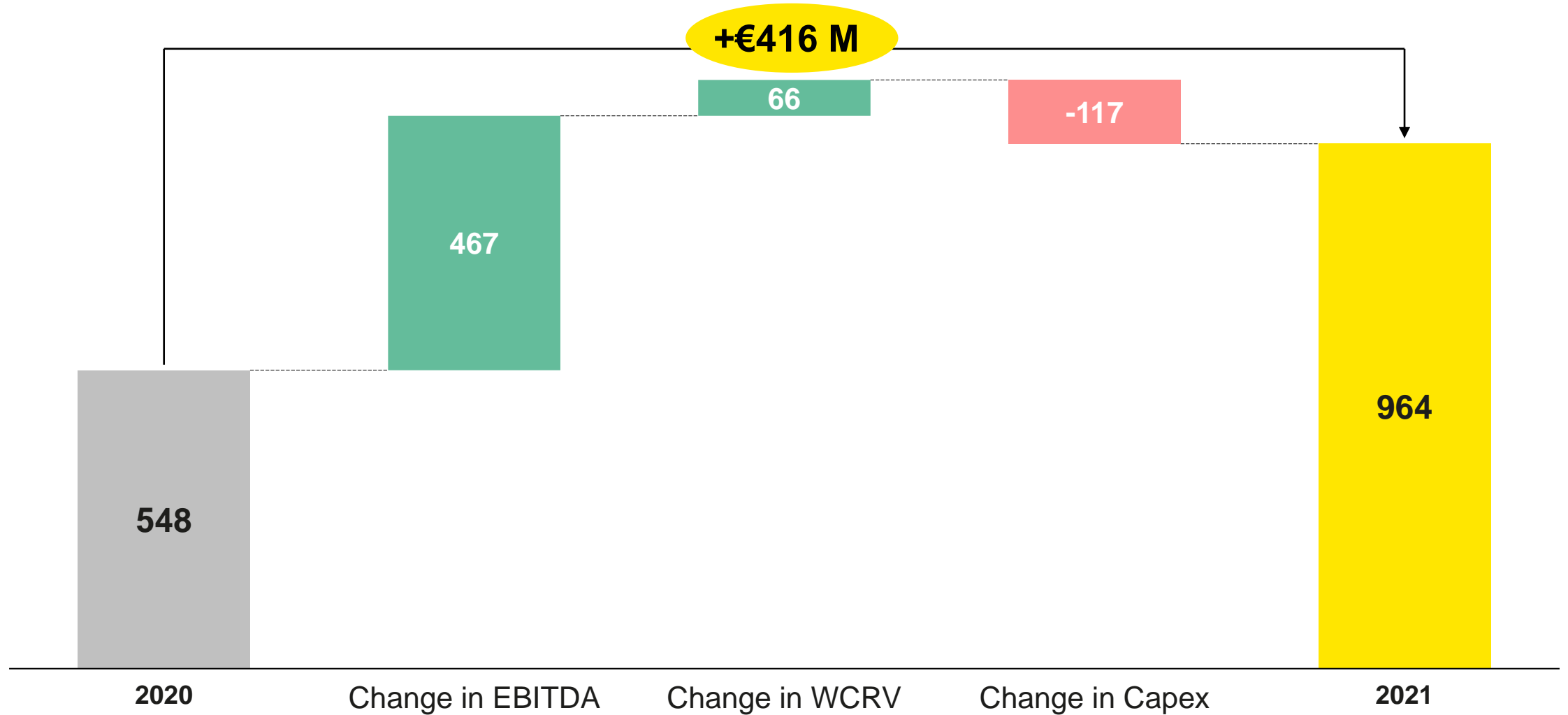
EBITDA up with mixed and one-off effects

In millions of euros



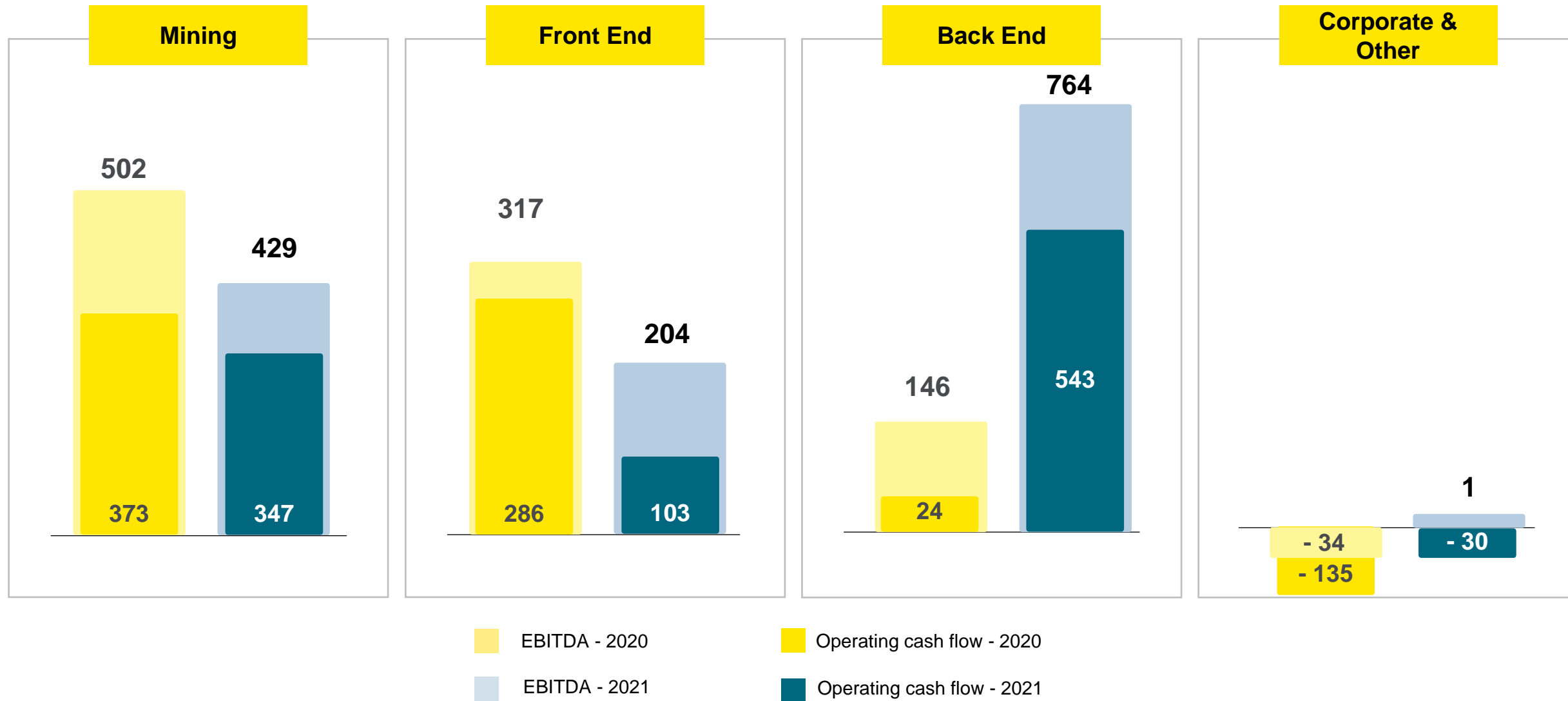
Improvement in operating cash flow driven by the change in EBITDA

In millions of euros



Change in EBITDA and operating cash flow by business

In millions of euros



Positive net cash flow from company operations

In millions of euros

Transition from operating CF to net CF

Operating cash flow

964

vs 548 in 2020

Cash flow from end-of-lifecycle operations

-372

Income tax

-90

Cash from financial transactions

-207

Other items

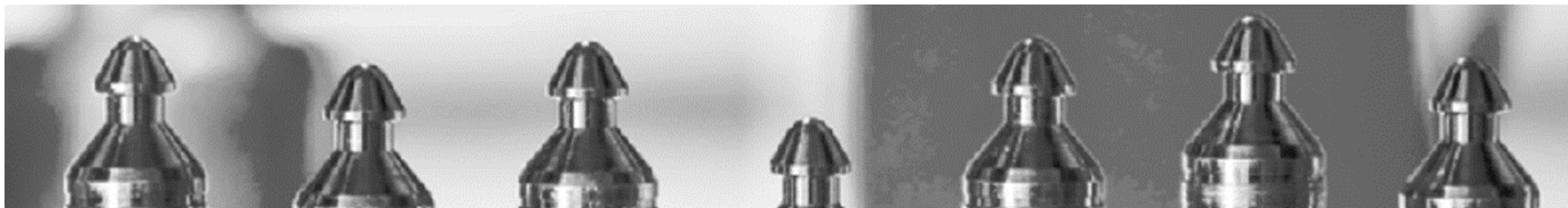
-84

=

Net cash flow from company operations:

210

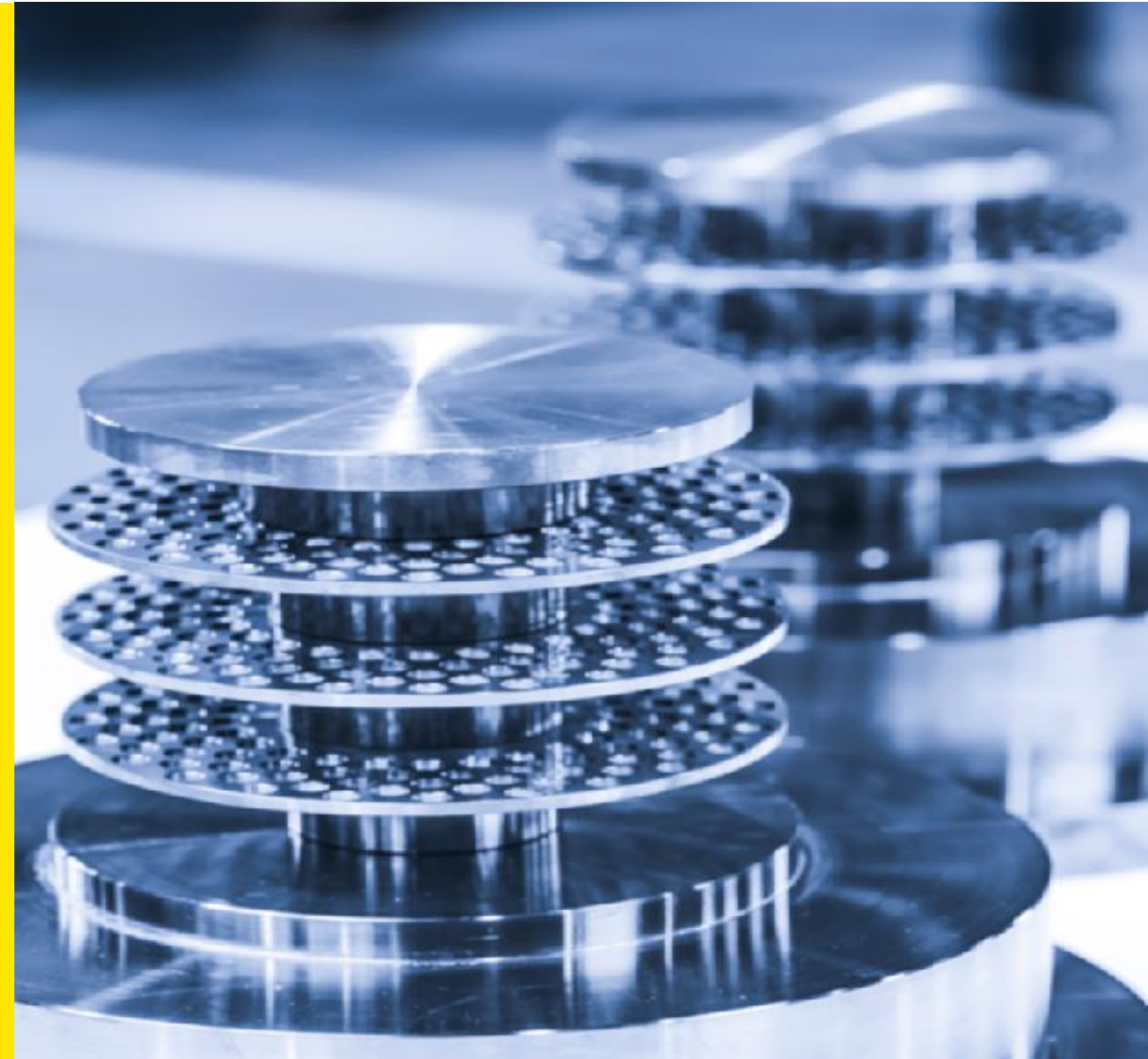
vs 144 in 2020



2

Results at December 31, 2021

c. Balance sheet



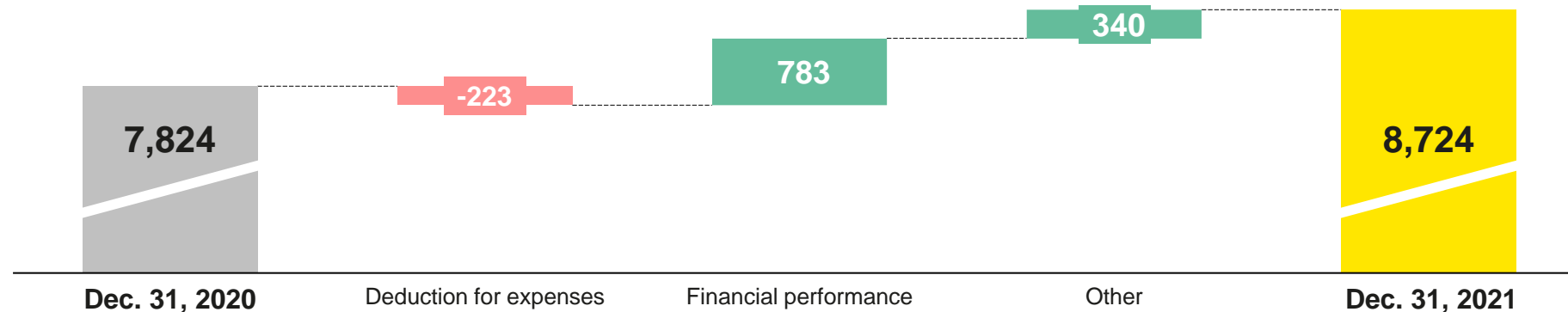
Condensed balance sheet

In billions of euros	Dec. 31, 2020	Change	Dec. 31, 2021
a - Goodwill	1.2	+0.1	1.3
b - Non-current assets	9.6	+0.6	10.2
c - End-of-lifecycle assets	7.7	+0.9	8.6
d - Deferred tax assets	0.1	-	0.1
e - Operating WCR assets	2.9	- 0.1	2.8
f - Other assets	0.8	- 0.1	0.7
g - Cash	1.6	-0.3	1.2
Total assets	23.8	+1.2	25.0
h - Equity	1.1	+0.8	1.9
i - Employee benefits	1.1	-0.5	0.5
Provisions for end-of-lifecycle operations	8.2	+1.1	9.3
k - Other provisions	2.5	+0.4	2.9
l - Financial liabilities	4.2	-0.8	3.4
m - Operating WCR liabilities	5.8	+0.8	6.5
n - Other liabilities	1.1	-0.6	0.5
Total liabilities	23.8	+ 1.2	25.0
Net debt	(2.1)	-0.2	(1.9)

End-of-lifecycle commitments: *Regulated scope*

In millions of euros

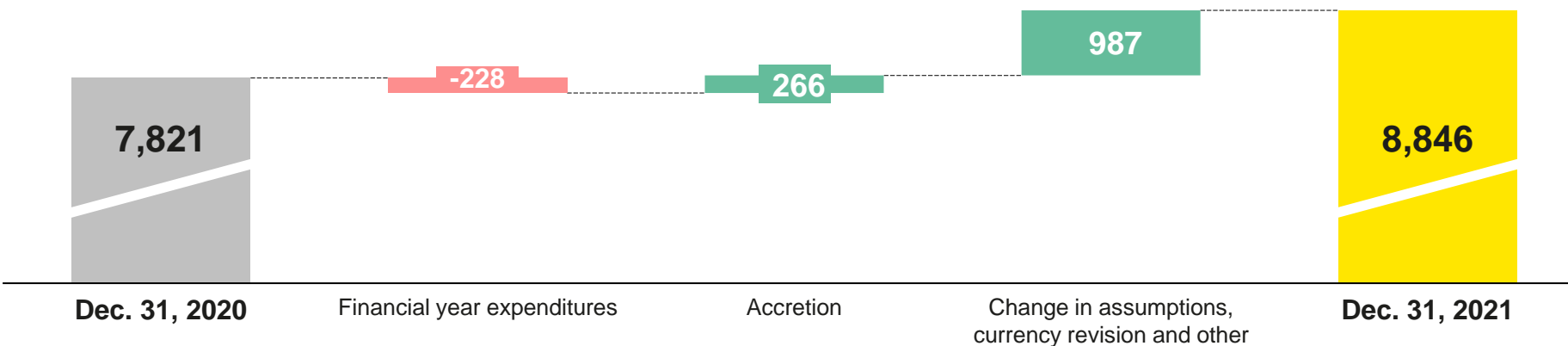
ASSETS in market value



Coverage ratio:

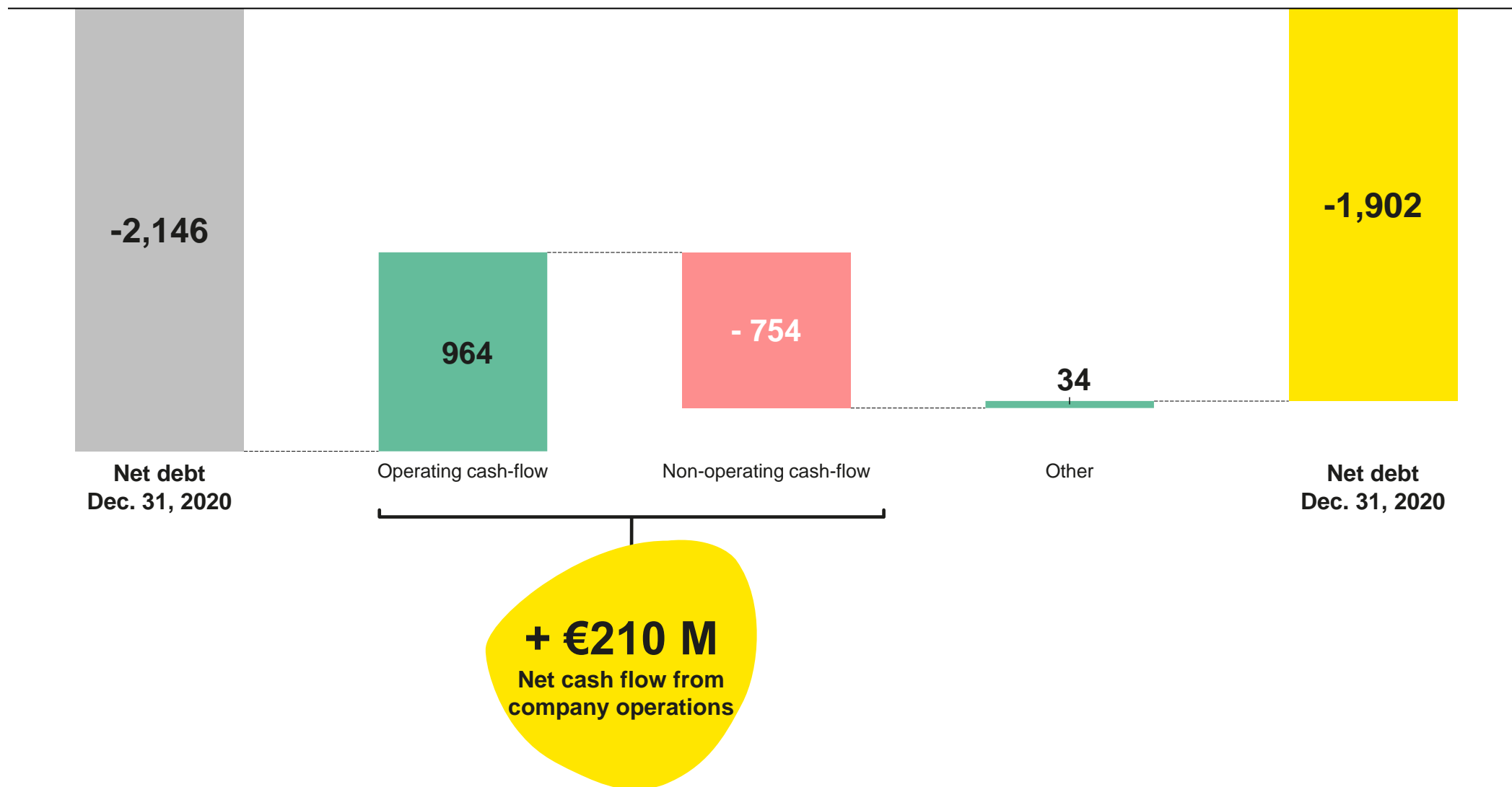


LIABILITIES



Decrease in net debt

In millions of euros

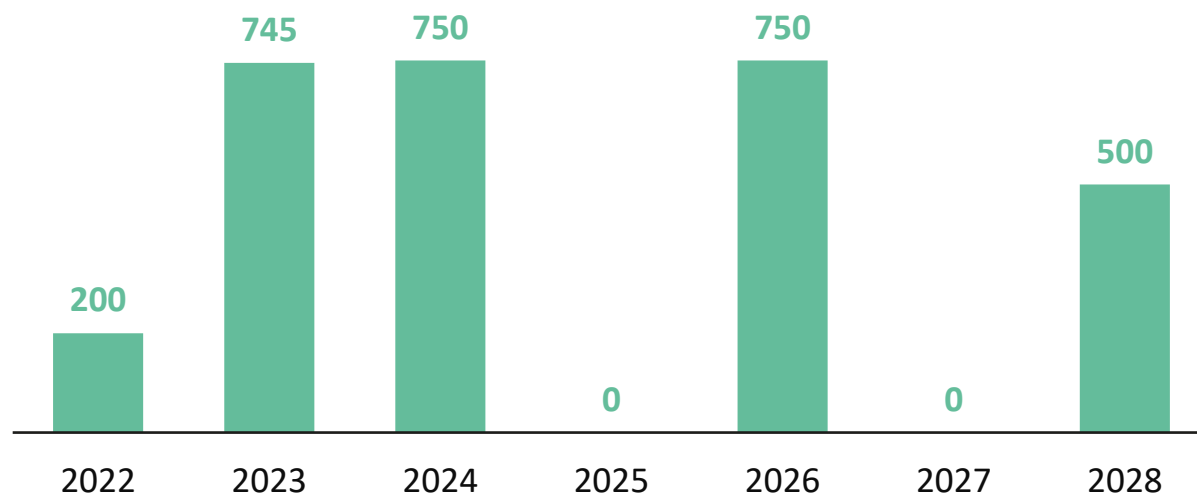


Debt structure and liquidity at December 31, 2021

Gross financial debt €3.4 bn

Of which bond debt: €3.0 bn

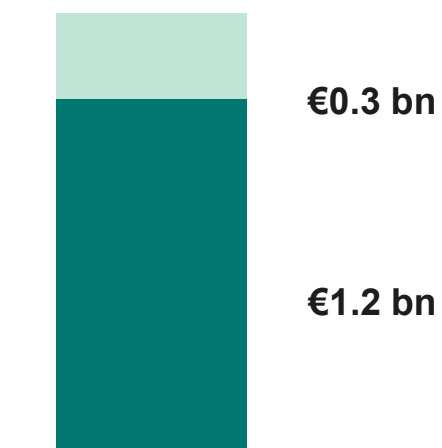
In millions of euros



Other borrowings: €0.4 bn

Liquidity position at December 31, 2021

€1.5 bn



December 31, 2021

Cash management financial assets

Cash assets

Liquidity enhanced by an undrawn RCF:

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

3

Outlook



Return in 2022 to the momentum expected before the pandemic



Revenue close to
€4 bn



EBITDA margin rate
between **23% and 26%**



Positive
net cash flow

Q & A

Appendices

1. **Statement of income at December 31, 2021**
2. **Balance sheet**
3. **Key figures by activity**
4. **Definition of the indicators used by Orano**
5. **Sensitivity**
6. **Non-financial performance**

Statement of income at December 31, 2021

Appendix 1

In billions of euros	2020	2021
Revenue	3,684	4,726
Cost of sales	(3,100)	(3,336)
Gross margin	584	1,390
Research and development expenses	(104)	(108)
Marketing and sales expense	(36)	(34)
General expense	(112)	(113)
Other operating income	235	66
Other operating expense	(227)	(430)
Operating income	339	771
Share in net income of joint ventures and associates	15	18
Operating income after share in net income of joint ventures and associates	355	789
Financial income from cash and cash equivalents	19	9
Cost of gross financial debt	(163)	(137)
Cost of net financial debt	(144)	(128)
Other financial income	310	848
Other financial expense	(487)	(749)
Other financial income and expense	(177)	100
Net financial income (expense)	(321)	(29)
Income tax	(54)	(30)
Net income from continuing operations	(21)	730
Net income from operations sold or held for sale	0	0
Net income for the period	(21)	730
Net income attributable to owners of the parent	(71)	678
Net income attributable to non-controlling interests	50	52

Balance sheet – assets

Appendix 2

ASSETS (in billions of euros)	Dec. 31, 2020	Dec. 31, 2021
Non-current assets	18,824	20,517
Goodwill	1,174	1,268
Intangible assets	1,175	1,226
Property, plant and equipment	8,452	9,010
Rights of use – lease	89	83
End-of-lifecycle assets (third-party share)	122	110
Financial assets earmarked for end-of-lifecycle operations	7,561	8,513
Investments in joint ventures and associates	6	12
Other non-current assets	154	161
Deferred tax assets	92	133
Current assets	4,997	4,428
Inventories and work-in-process	1,388	1,428
Trade accounts receivable and related accounts	681	639
Contract assets	104	94
Other operating receivables	728	610
Other non-operating receivables	42	40
Current tax assets	40	69
Other current financial assets	460	315
Cash and cash equivalents	1,554	1,232
Total assets	23,821	24,945

Balance sheet – liabilities

Appendix 2

LIABILITIES (in millions of euros)	Dec. 31, 2020	December 31, 2021
Equity	1,109	1,858
Capital	132	132
Consolidated premiums and reserves	1,320	1,990
Actuarial gains and losses on employee benefits	(243)	(225)
Unrealized gains and losses on financial instruments	160	12
Currency translation reserves	(186)	(34)
Equity attributable to owners of the parent	1,183	1,876
Non-controlling interests	(75)	(18)
Non-current liabilities	12,854	13,186
Employee benefits	1,045	526
Provisions for end-of-lifecycle operations	8,189	9,249
Non-current provisions	288	406
Share in negative net equity of joint ventures and associates	57	20
Non-current lease liabilities	69	69
Non-current financial liabilities	3,206	2,915
Deferred tax liabilities	0	2
Current liabilities	9,858	9,901
Current provisions	2,188	2,444
Current financial liabilities	985	526
Current lease liabilities	27	23
Trade payables	914	851
Contract liabilities	4,930	5,175
Other operating liabilities	784	857
Other non-operating liabilities	4	3
Current tax liabilities	26	22
Total liabilities and equity	23,821	24,997

Key figures by business – Mining

Appendix 3



In millions of euros	2020	2021	Change
Revenue	1,079	1,065	- 14
Operating income	371	269	- 102
EBITDA	502	429	- 73
<i>% of revenue</i>	46.5%	39.9%	-6.6 pts
Change in operating WCR	(19)	43	+62
Net Capex	(110)	(125)	- 15
Operating cash flow	373	347	- 26

- Expected slight decrease in **revenue** consistent with the less favorable backlog flows compared to 2020.
- Decrease in **operating income** and **EBITDA** linked to a less favorable price effect on volumes sold in the backlog, partially offset by: (i) a slightly positive volume effect between the two periods, and (ii) the lower impacts on activities of the Covid-19 crisis in 2021 (4 months of production interruptions in Canada versus 6 months in 2020)
- **Favorable change in WCR** due to the consumption of natural uranium inventories following production stoppages in Canada in the 1st half-year.
- A good level of **operating cash flow** maintained, with investments in keeping with 2020 after a historical low in 2019.

Key figures by business – Front End

Appendix 3



In millions of euros	2020	2021	Change
Revenue	999	951	- 48
<i>Operating income before end-of-cycle activity</i>	234	191	- 43
Operating income	224	176	- 48
EBITDA	317	204	- 113
<i>% of revenue</i>	31.8%	21.5%	- 10.3 pts
Change in operating WCR	97	(6)	- 103
Net Capex	(129)	(95)	+ 34
Operating cash flow	286	103	- 183

- Decrease in **revenue in line** with the flows in the backlog, with a seasonality effect between the two periods.
- Decrease in **operating income** in connection with the change in revenue and a reversal of a provision in 2020 which became surplus to requirements, partially offset by: (i) the ramp-up of production at the Philippe Coste plant, and (ii) the absence of Covid effect in 2021
- Decrease in **EBITDA** in line with the voluntary payment to funds earmarked to cover employee benefit obligations, partly offset by the increase in production volumes in conversion
- **Change in operating WCR** up as a result of the reconstitution of inventories thanks to the ramp-up of the Philippe Coste plant.
- Decrease in **operational cash flow** with the dual impact of changes in EBITDA and operating WCR, partly offset by the end of the investment program at the Philippe Coste plant.

Key figures by business – Back End

Appendix 3



In millions of euros	2020	2021	Change
Revenue	1,592	2,693	+1,101
<i>Operating income before end-of-cycle activity</i>	<i>(98)</i>	<i>617</i>	<i>+ 715</i>
Operating income	(209)	346	+555
EBITDA	146	764	+618
<i>% of revenue</i>	<i>9.2 %</i>	<i>28.4 %</i>	<i>- 19.2 pts</i>
Change in operating WCR	138	169	+ 31
Net Capex	(260)	(390)	- 130
Operating cash flow	24	543	+519

- Strong growth in **revenue** in line with (i) the one-off contribution of the balance of long-term contracts with the German utilities, and (ii) the absence of Covid impacts, which had penalized activities in 2020. An increase partly offset by (iii) difficulties in the Recycling plants leading to production losses and an impact on the progress of processing–recycling contracts.
- Increase in **operating income** reflecting the same effects reduced by additional end-of-lifecycle provisions (i) for long-term commitments related to the settling of the aforementioned export contracts, and (ii) better hedging of certain risks.
- Increase in **EBITDA** in the same way as operating income. The voluntary one-off payment to a fund covering employee benefit obligations is offset by the neutralization of additional end-of-lifecycle provisions impacting operating income.
- Increase in **Operating cash flow** in line with the increase in EBITDA reduced by a resumption of investments following the disruptions generated by the health crisis in 2020, and more particularly in plants to relaunch production.

Key figures by business – Corporate*

Appendix 3



In millions of euros	2020	2021	Change
Revenue	13	18	+5
<i>Operating income before end-of-cycle activity</i>	<i>(48)</i>	<i>(20)</i>	<i>+ 28</i>
Operating income	(47)	(20)	+ 27
EBITDA	(34)	1	+35
Change in operating WCR	(89)	(14)	+ 75
Net Capex	(12)	(17)	- 5
Operating cash flow	(135)	(30)	+105

- **Operating income and EBITDA** improved in line with fewer purchases of Covid protective equipment than in 2020.
- **Change in WCR** improved, mainly due to (i) an unfavorable VAT cut-off in 2020, and (ii) the one-off reimbursement in 2021 of Research Tax Credit receivables.

- **Operating cash flow** significantly improved over the period, in line with changes in EBITDA and 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 rate 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;
- repayment of lease 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 these operations;
- asset 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-process;
- 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 corporate 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, market prices based on the forecast price curves prepared and updated by Orano. Orders in hedged foreign currencies are valued at the exchange rate hedged. Non-hedged orders are valued at the exchange 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 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 income tax and taking into account the cash flows that would have occurred in the absence of offsetting between the payment of corporate income tax and the reimbursement 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 opening and closing of the financial year (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 non-current assets;
- plus sales of property, plant and equipment and intangible assets included in operating income, net of changes in receivables on the sale of non-current assets;
- plus prepayments received from customers during the financial year 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 current and non-current financial liabilities, 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 gains on disposal of non-current assets, gains and losses on asset leases and effects of takeovers and losses of control.

EBITDA is restated as follows:

- i. to reflect the cash flows for the period in line with employee benefit obligations (benefits paid and contribution to plan assets) in lieu of the service cost recognized;
- ii. to exclude the cost of end-of-lifecycle operations for the Group's nuclear facilities (dismantling, waste retrieval and packaging) carried out during the financial year.

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 financial 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.

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 net cash flow from company operations, which are presented below:

Annual averages over the periods concerned (in millions of euros)	Period 2022 - 2023	Period 2024 - 2029	
Change in the US dollar / Euro exchange rate: +/- 10 cents	+ 23 - 21	+ 34 - 32	Sensitivity cushioned by foreign exchange hedges subscribed to
Change in the price per pound of uranium: +/- 5 USD/lb	+ 12 - 7	+ 25 - 8	Sensitivity cushioned by the backlog
Change in the price per separative work unit: +/- 5 USD/SWU	+/- 7	+/- 10	Sensitivity cushioned by the backlog

- These sensitivities were assessed independently from one another.

Non-financial performance

Appendix 6

Indexes	Most recent rating 2020/2021	Trend vs. previous year	Industry positioning
<p> SUSTAINALYTICS a Morningstar company 100 - 0 (0 = low risk)</p> <p> MSCI CCC - AAA</p> <p> PART OF Moody's ESG Solutions 0-100</p> <p> CDP DISCLOSURE INSIGHT ACTION</p>	<p>28.6 / 100</p> <p>AA</p> <p>63 / 100</p> <p>B-</p>	<p>↑</p> <p>↑</p> <p>↑</p> <p>Not applicable</p>	<p>8th / 111</p> <p>top 6%</p> <p>8th / 43</p> <p>-</p>

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 or conditional tenses 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 2021 Annual Activity Report (available online at the end of April 2022 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.



orano

Giving nuclear energy its full value