

This is a translation into English of the statutory auditor's review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.



TotalEnergies Capital

Period from January 1 to June 30, 2022

Statutory auditor's review report on the half- yearly financial information

ERNST & YOUNG Audit



TotalEnergies Capital

Period from January 1 to June 30, 2022

Statutory auditor's review report on the half-yearly financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-yearly financial statements of TotalEnergies Capital, for the period from January 1 to June 30, 2022;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-yearly financial statements do not comply with French accounting rules and principles.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly financial statements subject of our review.



We have no matters to report as to its fair presentation and consistency with the condensed half-yearly financial statements.

Paris-La Défense, August 3, 2022

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Laurent Vitse

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**CONDENSED FINANCIAL STATEMENTS
AS OF 30 JUNE 2022**

- BALANCE SHEET AS OF 30 JUNE 2022
- INCOME STATEMENT AS OF 30 JUNE 2022
- CASH FLOW STATEMENT AS OF 30 JUNE 2022
- APPENDIX

TOTALENERGIES CAPITAL

**BALANCE SHEET
AS OF 30 JUNE 2022**

TOTALENERGIES CAPITAL
(in euros)
BALANCE SHEET AS OF 30 JUNE 2022

ASSETS	30-Jun-22			31-Dec-21	LIABILITIES	30-Jun-22	31-Dec-21
	Gross	Amortizations, depreciations and provisions	Net				
FIXED ASSETS					SHAREHOLDER'S EQUITY (note 3)		
FINANCIAL ASSETS (note 2)	2,802,369,915		2,802,369,915	2,569,099,837	Capital	300,000	300,000
Long-term loans after swaps	2,779,724,656		2,779,724,656	2,549,267,173	Reserves	9,355,475	8,889,789
Drawdowns on credit facilities					Legal Reserves	30,000	30,000
Accrued interests on long-term loans after swaps	22,645,259		22,645,259	19,832,664	Retained Earnings	9,325,475	8,859,789
Accrued interests on credit facilities					Income for fiscal year	(469,676)	465,686
SUB TOTAL I	2,802,369,915		2,802,369,915	2,569,099,837	SUB TOTAL I	9,185,799	9,655,475
CURRENT ASSETS					PROVISIONS		
RECEIVABLES	3,481,157,746		3,481,157,746	1,420,714,908	SUB TOTAL II		
Current accounts and inter-company loans	6,945,383		6,945,383	7,077,337	LIABILITIES		
Deposits and security deposits	3,017,841,677		3,017,841,677	1,004,077,132	Debtenture loans and similar debt debentures (note 4)	2,802,369,916	2,569,099,837
Tax and social receivables					Debtenture loans after hedge swaps	2,779,724,656	2,549,267,173
Other receivables	4,083,194		4,083,194	2,601,208	Accrued interests on debtenture loans after swaps	22,645,260	19,832,664
Accrued income on dedicated swaps	452,287,491		452,287,491	406,959,231	Miscellaneous borrowings and financial debts	3,470,355,329	1,409,517,231
Cash available					Commercial Papers		
					Bank and security deposits	88,611,165	300,840,000
					Creditor current accounts	2,929,527,643	701,571,896
					Related accounts payables on miscellaneous financial liabilities	110,908	110,908
					Accrued liabilities on dedicated swaps	452,105,613	406,994,427
					Diverse liabilities		
					Operating liabilities	234,286	162,305
					Trade notes and account payables	169,857	97,876
					Tax and social liabilities	64,429	64,429
					Accrued income		
SUB TOTAL II	3,481,157,746		3,481,157,746	1,420,714,908	SUB TOTAL III	6,272,959,531	3,978,779,373
PREPAID EXPENSES III					PREPAID INCOME IV	1,382,331	1,379,897
TOTAL (I+II+III)	EUR 6,283,527,661		6,283,527,661	3,989,814,745	TOTAL (I+II+III+IV)	EUR 6,283,527,661	3,989,814,745

TOTALENERGIES CAPITAL

**INCOME STATEMENT
AS OF 30 JUNE 2022**

TOTALENERGIES CAPITAL
(in euros)
INCOME STATEMENT AS OF 30 JUNE 2022

EXPENSES	30-Jun-22	31-Dec-21	30-Jun-21	INCOME	30-Jun-22	31-Dec-21	30-Jun-21
OPERATING EXPENSES				OPERATING INCOME			
External expenses	217,069	1,270,316	603,333	Miscellaneous income	-	-	-
Taxes	-	-	-				
SUB TOTAL I	217,069	1,270,316	603,333	SUB TOTAL I	-	-	-
FINANCIAL EXPENSES				FINANCIAL INCOME			
Interests on debenture loans after swaps	45,557,671	98,301,501	48,789,406	Interests on loans after swaps	29,604,327	54,207,081	26,632,435
Interests on Commercial Papers	-	468,677	347,927	Interests on long-term loans	16,685,680	44,993,818	23,293,446
Interests on NEU CP (ex Billets de Trésorerie)	-	-	-	Interests on Commercial Papers	480,605	-	-
Interests on borrowings	-	-	-	Interests on inter-company loans	-	-	-
Interests on current accounts	6,747	14,429	5,329	Interests on current accounts	886,628	621,988	276,019
Interests on bank and security deposits	4,127,243	3,233,036	1,182,163	Interests on bank and security deposits	650,300	5,905,901	3,628,602
Interests on dedicated swaps	748,892,247	1,330,271,773	674,949,992	Income from dedicated swaps	748,846,324	1,330,777,297	674,949,992
Other interests, similar income and swap points	11,682	57,899	34,396	Other interests, similar income and swap points	11,682	57,899	34,396
Foreign exchange loss	636,786	-	-	Foreign exchange income	-	103,650	132,575
Diverse financial expenses and miscellaneous expenses	1,273,915	17,705,465	17,007,361	Diverse financial interests	3,088,138	15,289,050	19,307,108
SUB TOTAL II	800,506,291	1,450,052,780	742,316,574	SUB TOTAL II	800,253,684	1,451,956,683	748,254,573
EXTRAORDINARY EXPENSES				EXTRAORDINARY INCOME			
SUB TOTAL III	-	-	-	SUB TOTAL III	-	-	-
INCOME TAX IV	-	167,901	1,437,682				
NET INCOME FOR THE PERIOD	-	465,686	3,896,984	NET LOSS FOR THE PERIOD	469,676	-	-
TOTAL	800,723,360	1,451,956,683	748,254,573	TOTAL	800,723,360	1,451,956,683	748,254,573

TOTALENERGIES CAPITAL

**CASH FLOW STATEMENT
AS OF 30 JUNE 2022**

TOTAL ENERGIES CAPITAL

CASH FLOW STATEMENT

in thousands of euros

	30/06/2022	31/12/2021
OPERATING CASH FLOW		
Fiscal period income as of 31/12/2021		466
Fiscal period income as of 30/06/2022	(470)	
Decrease (increase) in working capital requirement	(2,233)	(992)
Net Operating Cash Flow	(2,703)	(526)
INVESTING CASH FLOW		
Increase in long-term loans	(17,112)	(6,009)
Repayment of long-term loans	(85,099)	813,072
Net Investment Cash Flow	(102,211)	807,063
FINANCING CASH FLOW		
Dividends paid		
Net loans issued	1,376	(823,192)
Changes in short-term financial liabilities	2,067,974	492,939
Changes in short-term receivables	(2,050,930)	(493,118)
Net Financial Cash Flow	18,420	(823,371)
Cash increase (decrease)	(86,493)	(16,834)
Impact on foreign exchange fluctuations	86,493	16,834
Cash at the beginning of the period	-	-
Cash at the end of the period	-	-

APPENDIX

APPENDIX

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Those interim financial statements were prepared with respect to the French National Accounting Board (Conseil National de Comptabilité) “recommendation n°99.R.01” dated 18th March 1999 and related to the interim financial statements. They do not include all the information usually required in the financial statements according to the French GAAP. However, they present a selection of notes describing significant facts and operations in order to understand the evolution in the financial statements and performance of the company that could have occurred since the last financial statement as of 31st December 2021.

SIGNIFICANT EVENTS

During the first semester of 2022, TotalEnergies Capital continued its activity on debt capital markets, in particular Commercial Paper issuances, as well as its activity of interest rate and currency risk management.

For short-term borrowings, TotalEnergies Capital can issue under Commercial Paper programmes (US CP, EURO CP) and under a NEU CP (ex Billets de Trésorerie) programme.

For long-term borrowings, TotalEnergies Capital, along with TotalEnergies SE, TotalEnergies Capital Canada and TotalEnergies Capital International, acts as a principal issuer under the EMTN programme (guaranteed by TotalEnergies SE), under a US SEC-Registered Shelf programme (guaranteed by TotalEnergies SE) and under an AMTN programme in Australia (guaranteed by TotalEnergies SE). TotalEnergies Capital can also issue on a stand-alone basis (guaranteed by TotalEnergies SE).

During the first semester of 2022, TotalEnergies Capital did not issue any new debenture loan.

TotalEnergies Capital's issuance programmes have long-term and short-term ratings by Standard and Poor's: A+/A-1, and by Moody's: A1/P-1. These ratings were made possible thanks to TotalEnergies SE's guarantee granted to these programmes.

TotalEnergies SE has a long-term and a short-term rating by Standard and Poor's: A+/A-1 with a Stable outlook on the long-term rating, and by Moody's: A1/P-1 with a Stable outlook on the long-term rating. On 18th February 2021, Standard and Poor's downgraded TotalEnergies SE's rating from A+ with a Negative outlook to A with a Stable outlook. On 20th December 2021, Standard and Poor's revised TotalEnergies SE's outlook from Stable to Positive on the long-term rating. On 30th June 2022, Standard and Poor's upgraded TotalEnergies SE's rating from A with a Positive outlook to A+ with a Stable outlook.

On 24th March 2021, Moody's revised TotalEnergies SE's rating from Aa3 with a Negative outlook to A1 with a Stable outlook.

ENVIRONMENT

Despite the progress made with the COVID-19 vaccination campaign in developing countries, new variant outbreaks make it them less effective, maintain uncertainty and compel some regions to take new restrictive sanitary measures, particularly in East

Asia. Following the invasion of Ukraine ordered by Vladimir Putin in February 2022, the United States and European Union have announced a package of sanctions against Russia. The additional pressure on commodity prices is contributing to the already high inflation. Some European countries have adopted budgetary measures to fight the inflationary surge and central banks have put in place restrictive monetary policies such as rate hikes and tapering.

NOTE 1: ACCOUNTING RULES

Accounting rules and methods used for interim accounts are the same as the ones used for year end 2021 accounts.

GENERAL PRINCIPLES

The balance sheet and income statement are established in accordance with the provisions of French law and in compliance with generally accepted accounting principles used by corporations.

ACCOUNTING RULES AND METHODS

The long- and medium-term financing transactions within the company TotalEnergies are recorded as financial assets according to their face value.

✓ Currency transactions

Given its financial activities and the significant amount of its foreign currency inflows and outflows, TotalEnergies Capital uses multi-currency accounting, as financial institutions do.

Therefore, at closing, TotalEnergies Capital does not use translation adjustment accounts but revaluates balance sheet and off-balance sheet entries whose impact is recorded in the income statement (unrealized foreign exchange gains and losses).

The revaluation of long-term off-balance sheet items in foreign currencies is recorded in the balance sheet as the financial derivative instruments with which they match (debenture loans).

The revaluation of short-term off-balance sheet items in foreign currencies is recorded under “revenue receivables from the revaluation of off-balance sheet foreign exchange positions” or “expenses payables for the revaluation of off-balance sheet foreign exchange positions.”

The foreign exchange positions are converted into euros based on the exchange rate at the end of the fiscal year.

✓ Interest Rate and Currency Financial Instruments

Outstanding transactions involving forward financial instruments are recognized as off-balance sheet liabilities. They consist primarily of interest rate and currency swap

agreements negotiated for hedging purposes in order to manage TotalEnergies Capital's exposure to fluctuations in interest rates and foreign exchange rates.

The interest differentials along with the premium and discount points associated with these swaps or forward contracts are recorded, prorated over the period, in the income statement as financial expenses or income over the life of the items that they hedge.

A provision will be booked for possible losses relating to transactions where the accounting standards for hedging are not respected.

✓ **Debenture loans**

Debenture loans converted into US dollars or euros through individually paired swaps at issuance are shown after swaps in the balance sheet and in the income statement. They are converted at the closing rate on the date of the accounts statement. The profits and losses resulting from the conversion at the closing rate of the currency debenture loans and swaps are recorded in the income statement under the heading: Foreign Exchange Profits and Losses.

✓ **Presentation of interests on swaps hedging debenture loans**

Interests on debenture loans are presented net of swaps. This presentation allows consistency between the profit and loss statement and the balance sheet (debenture loans are presented after their revaluation for foreign exchange variations on associated swaps) and enables a direct assessment of the overall cost of debt. On the balance sheet, accrued interests on debenture loans are also disclosed net of accrued interests on swaps.

TOTALENERGIES CAPITAL

NOTE 2: FINANCIAL ASSETS

Fixed financial assets are exclusively comprised of loans for subsidiaries of the company TotalEnergies. No loan has been granted over the period.

NOTE 3: CHANGE IN SHAREHOLDERS' EQUITY

in thousands of euros

2021	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2020	POSITION AS OF 31/12/2021
Share capital	300		300
Legal reserve	30		30
Retained earnings	9,851	(991)	8,860
Income for fiscal year 2020	(991)	991	-
Dividend distribution		-	-
Income as of 31/12/2021			466
TOTAL SHAREHOLDERS' EQUITY	9,190	-	9,656

2022	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2021	POSITION AS OF 30/06/2022
Share capital	300		300
Legal reserve	30		30
Retained earnings	8,860	466	9,325
Income for fiscal year 2021	466	(466)	-
Dividend distribution		-	-
Income as of 30/06/2022			(470)
TOTAL SHAREHOLDERS' EQUITY	9,656	-	9,186

NOTE 4 : DEBENTURE LOANS AND SIMILAR DEBENTURES

During the first semester of 2022, TotalEnergies Capital did not issue any new debenture loan. No debenture loan was reimbursed during the period.

NOTE 5 : OFF-BALANCE SHEET COMMITMENTS

Derivative financial instruments – interest rate risk management

During the first semester of 2022, no interest rate swap and/or cross-currency swap matching a new debenture loan were put in place.

No interest rate swap and/or cross-currency swap, matching a debenture loan repaid during that period, matured.