



*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, 2023

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

ERNST & YOUNG Audit



## TotalEnergies Capital

Period from January 1 to June 30, 2023

### 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, 2023;
- the verification of the information presented in the half-yearly management report.

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

#### 1. 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.



## **2. 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, 2023

The Statutory Auditor  
*French original signed by*  
ERNST & YOUNG Audit

Laurent Vitse

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**CONDENSED FINANCIAL STATEMENTS**

**AS OF 30 JUNE 2023**

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TOTALENERGIES CAPITAL

**BALANCE SHEET  
AS OF 30 JUNE 2023**

**TOTALENERGIES CAPITAL**

(in euros)

**BALANCE SHEET AS OF 30 JUNE 2023**

ASSETS	30-Jun-23			31-Dec-22	LIABILITIES	30-Jun-23	31-Dec-22
	Gross	Amortizations, depreciations and provisions	Net				
<b>FIXED ASSETS</b>					<b>SHAREHOLDERS' EQUITY (note 3)</b>		
<b>FINANCIAL ASSETS (note 2)</b>	2,096,487,652		2,096,487,652	2,134,915,836	<b>Capital</b>	300,000	300,000
Long-term loans after swaps	2,071,875,575		2,071,875,575	2,110,725,670	<b>Reserves</b>	7,294,405	9,355,475
Drawdowns on credit facilities	-		-	-	Legal Reserves	30,000	30,000
Accrued interests on long-term loans after swaps	24,612,077		24,612,077	24,190,165	Retained Earnings	7,264,405	9,325,475
Accrued interests on credit facilities	-		-	-	<b>Income for fiscal year</b>	(1,219,760)	(2,061,070)
<b>SUB TOTAL I</b>	<b>2,096,487,652</b>	<b>-</b>	<b>2,096,487,652</b>	<b>2,134,915,836</b>	<b>SUB TOTAL I</b>	<b>6,374,645</b>	<b>7,594,405</b>
<b>CURRENT ASSETS</b>					<b>PROVISIONS</b>	-	-
<b>RECEIVABLES</b>	5,185,587,121		5,185,587,121	3,666,344,754	<b>SUB TOTAL II</b>	-	-
Current accounts and inter-company loans	2,307,350,184		2,307,350,184	29,503,994	<b>LIABILITIES</b>		
Deposits and security deposits	2,304,134,069		2,304,134,069	3,052,749,772	<b>Debenture loans and similar debt debentures (note 4)</b>	2,096,487,652	2,134,915,835
Tax and social receivables	-		-	-	Debenture loans after hedge swaps	2,071,875,575	2,110,725,670
Other receivables	15,526,623		15,526,623	9,558,320	Accrued interests on debenture loans after swaps	24,612,077	24,190,165
Accrued income on dedicated swaps	558,576,244		558,576,244	574,532,668	<b>Miscellaneous borrowings and financial debts</b>	5,213,062,462	3,655,797,701
Cash available	-		-	-	Commercial Papers	2,272,768,268	-
					Bank and security deposits	209,309,886	202,023,683
					Creditor current accounts	2,172,586,153	2,879,314,461
					Related accounts payables on miscellaneous financial liabilities	-	-
					Accrued liabilities on dedicated swaps	558,398,155	574,459,557
					Diverse liabilities	-	-
					<b>Operating liabilities</b>	2,189,878	1,725,672
					Trade notes and account payables	2,189,878	1,725,672
					Tax and social liabilities	-	-
					Accrued income	-	-
<b>SUB TOTAL II</b>	<b>5,185,587,121</b>	<b>-</b>	<b>5,185,587,121</b>	<b>3,666,344,754</b>	<b>SUB TOTAL III</b>	<b>7,311,739,991</b>	<b>5,792,439,208</b>
<b>PREPAID EXPENSES III</b>	37,227,649		37,227,649	-	<b>PREPAID INCOME IV</b>	1,187,788	1,226,977
<b>TOTAL (I+II+III)</b>	<b>EUR 7,319,302,423</b>	<b>-</b>	<b>7,319,302,423</b>	<b>5,801,260,590</b>	<b>TOTAL (I+II+III+IV)</b>	<b>EUR 7,319,302,423</b>	<b>5,801,260,590</b>

**INCOME STATEMENT  
AS OF 30 JUNE 2023**



INCOME STATEMENT AS OF 30 JUNE 2023

EXPENSES	30-Jun-23	31-Dec-22	30-Jun-22	INCOME	30-Jun-23	31-Dec-22	30-Jun-22
<b>OPERATING EXPENSES</b>				<b>OPERATING INCOME</b>			
External expenses	605,582	1,279,821	217,069	Miscellaneous income	-	-	-
Taxes	-	-	-				
<b>SUB TOTAL I</b>	<b>605,582</b>	<b>1,279,821</b>	<b>217,069</b>	<b>SUB TOTAL I</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCIAL EXPENSES</b>				<b>FINANCIAL INCOME</b>			
Interests on debenture loans after swaps	49,569,402	98,937,436	45,557,671	Interests on loans after swaps	29,703,911	61,203,798	29,604,327
Interests on Commercial Papers	37,970,668	1,438,157	-	Interests on long-term loans	20,234,676	38,409,502	16,685,680
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	32,813,134	10,103,294	6,747	Interests on current accounts	35,661,323	2,933,536	886,628
Interests on bank and security deposits	-	9,148,339	4,127,243	Interests on bank and security deposits	34,113,009	12,512,173	650,300
Interests on dedicated swaps	1,324,006,974	1,935,575,496	748,892,247	Income from dedicated swaps	1,324,141,624	1,935,349,655	748,846,324
Other financial expenses and swap points	-	14,677	11,682	Other interests, similar income and swap points	-	14,677	11,682
Foreign exchange loss	1,220,516	703,369	636,786	Foreign exchange income	-	-	-
Diverse financial expenses and miscellaneous expenses	1,517,928	1,403,241	1,273,915	Diverse financial interests	2,629,900	5,951,518	3,088,138
<b>SUB TOTAL II</b>	<b>1,447,098,621</b>	<b>2,057,324,009</b>	<b>800,506,291</b>	<b>SUB TOTAL II</b>	<b>1,446,484,443</b>	<b>2,056,374,859</b>	<b>800,253,684</b>
<b>EXTRAORDINARY EXPENSES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>EXTRAORDINARY INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SUB TOTAL III</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>SUB TOTAL III</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INCOME TAX IV</b>	<b>-</b>	<b>(167,901)</b>	<b>-</b>				
<b>NET INCOME FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NET LOSS FOR THE PERIOD</b>	<b>1,219,760</b>	<b>2,061,070</b>	<b>469,676</b>
<b>TOTAL</b>	<b>1,447,704,203</b>	<b>2,058,435,929</b>	<b>800,723,360</b>	<b>TOTAL</b>	<b>1,447,704,203</b>	<b>2,058,435,929</b>	<b>800,723,360</b>

**CASH FLOW STATEMENT  
AS OF 30 JUNE 2023**

# TOTAL ENERGIES CAPITAL

## CASH FLOW STATEMENT

in thousands of euros

	30/06/2023	31/12/2022
<b>OPERATING CASH FLOW</b>		
Fiscal period income as of 31.12.2022		(2,061)
Fiscal period income as of 30.06.2023	(1,220)	
Decrease (increase) in working capital requirement	(8,601)	(4,325)
<b>Net Operating Cash Flow</b>	<b>(9,821)</b>	<b>(6,386)</b>
<b>INVESTING CASH FLOW</b>		
Increase in long-term loans	(16,436)	(18,843)
Repayment of long-term loans	37,452	547,047
<b>Net Investment Cash Flow</b>	<b>21,016</b>	<b>528,204</b>
<b>FINANCING CASH FLOW</b>		
Dividends paid		
Net loans issued	2,280,791	(555,692)
Changes in short-term financial liabilities	(775,114)	2,290,173
Changes in short-term receivables	(1,480,341)	(2,272,352)
<b>Net Financial Cash Flow</b>	<b>25,335</b>	<b>(537,871)</b>
Cash increase (decrease)	36,530	(16,053)
Impact on foreign exchange fluctuations	(36,530)	16,053
Cash at the beginning of the period	0	0
<b>Cash at the end of the period</b>	<b>0</b>	<b>0</b>

**APPENDIX**

# APPENDIX

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## **Basis of preparation of condensed financial statements**

Those interim financial statements were prepared with respect to the French National Accounting Board (Conseil National de Comptabilité) “recommendation n°99.R.01” dated 18<sup>th</sup> 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 31<sup>st</sup> December 2022.

## **SIGNIFICANT EVENTS**

During the first semester of 2023, TotalEnergies Capital continued its activity on debt capital markets through 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 can issue along with TotalEnergies SE, TotalEnergies Capital Canada and TotalEnergies Capital International, as principal issuer under an EMTN programme (guaranteed by TotalEnergies SE), not renewed as of June 30, 2023, 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 2023, 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.

## **ENVIRONMENT**

Following the invasion of Ukraine by Russia 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 after the COVID-19 pandemic. 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. Rate hikes carried by central banks have continued during the first semester and should continue for the rest of the year.

## **NOTE 1: ACCOUNTING RULES**

Accounting rules and methods used for interim accounts are the same as the ones used for year end 2022 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 TotalEnergies SE. No loan has been granted over the period.

### NOTE 3: CHANGE IN SHAREHOLDERS' EQUITY

in thousands of euros

2022	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2021	POSITION AS OF 31/12/2022
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 31/12/2022			(2,061)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>9,656</b>	<b>-</b>	<b>7,594</b>

in thousands of euros

2023	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2022	POSITION AS OF 30/06/2023
Share capital	300		300
Legal reserve	30		30
Retained earnings	9,325	(2,061)	7,264
Income for fiscal year 2022	(2,061)	2,061	-
Dividend distribution			-
Income as of 30/06/2023			(1,220)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,594</b>	<b>-</b>	<b>6,375</b>

### NOTE 4: DEBENTURE LOANS AND SIMILAR DEBENTURES

During the first semester of the year 2023, TotalEnergies Capital did not issue any new debenture loan. No debenture loans were reimbursed during that same period.

### NOTE 5: OFF-BALANCE SHEET COMMITMENTS

#### *Derivative financial instruments – interest rate risk management*

During the first semester of the year 2023, no interest rate swap and/or cross-currency swap were issued. No interest rate swap and cross-currency swap matched to debenture loans reimbursed during that period matured.