

Combined “new SUEZ” Financial statements at December 31, 2020



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Combined statement of financial position

(in millions of euros)

December 31, 2020

Non-current assets	
Intangible assets, net	1,474.9
<i>Goodwill</i>	959.6
Property, plant and equipment net	1,487.1
Rights of use	573.8
Equity instruments	52.7
Loans and receivables carried at amortized cost	741.9
Derivative financial instruments	-
Investments in joint ventures	851.4
Investments in associates	778.3
Contracts assets	66.2
Other assets	153.0
Deferred tax assets	374.7
Total non-current assets	7,513.6
Current assets	
Loans and receivables carried at amortized cost	53.9
Derivative financial instruments	7.1
Trade and other receivables	2,327.3
Inventories	192.5
Contracts assets	267.7
Other assets	884.8
Financial assets measured at fair value through income	23.4
Cash and cash equivalents	1,031.0
Total current assets	4,787.7
Total assets	12,301.3
Shareholders' equity, Group share	2,752.1
Non-controlling interests	803.9
Total shareholders' equity	3,556.0
Non-current liabilities	
Provisions	765.8
Long-term borrowings	777.7
Lease liabilities	454.1
Derivative financial instruments	0.4
Other financial liabilities	0.7
Contracts liabilities	103.6
Other liabilities	235.8
Deferred tax liabilities	180.0
Total non-current liabilities	2,518.1
Current liabilities	
Provisions	123.3
Short-term borrowings	1,427.3
Lease liabilities	136.0
Derivative financial instruments	7.4
Trade and other payables	1,660.8
Contracts liabilities	651.6
Other liabilities	2,220.8
Total current liabilities	6,227.2
Total shareholders' equity and liabilities	12,301.3

NB: The values in the tables are generally expressed in millions of euros. Rounding may in some cases produce a non-material discrepancy in totals or variances.

Combined income statement

<i>(in millions of euros)</i>	December 31, 2020
Revenues	6,608.7
Purchases	(1,492.0)
Personnel costs	(1,754.8)
Depreciation, amortization and provisions	(690.1)
Other operating expenses	(2,857.7)
Other operating income	210.9
Current operating income	25.0
Mark-to-Market on operating financial instruments	4.5
Impairment on property, plant and equipment, intangible and financial assets	(98.0)
Restructuring costs	(31.4)
Scope effects	21.5
Other gains and losses on disposals and non-recurring items	(33.0)
Income from operating activities	(111.4)
Share in net income of equity-accounted companies considered as core business	119.3
<i>of which: share in net income (loss) of joint ventures</i>	<i>36.6</i>
<i>of which: share in net income (loss) of associates</i>	<i>82.7</i>
Income from operating activities after share in net income of equity-accounted companies considered as core business	7.9
Financial expenses	(113.5)
Financial income	42.2
Net financial income (loss)	(71.3)
Income tax expense	(44.8)
Net income	(108.2)
of which: Group share	(153.2)
Non-controlling interests	45.0

NB: The values in the tables are generally expressed in millions of euros. Rounding may in some cases produce a non-material discrepancy in totals or variances.

Basis of presentation

Context

On June 29, 2021, the Board of Directors of SUEZ SA approved the proposed takeover bid launched by Veolia for the shares of SUEZ SA at a price of EUR 20.50 per share (cum dividend).

At the same time, and as stipulated in the Merger Agreement signed on May 14, 2021 between Veolia and SUEZ, a consortium of long-term investors, composed of two funds: Meridiam and GIP and Caisse des Dépôts and CNP Assurances provided Veolia and SUEZ with a final binding put option to purchase the “new SUEZ” for an enterprise value of EUR 10.4 billion.

Subject to obtaining the regulatory and competition authorizations, SUEZ and Veolia set a common goal of closing the takeover bid and the sale of the “new SUEZ” to the Consortium at the same time. At this stage, the closing of the takeover bid is planned for the end of 2021.

The business activities included within the scope of the future “new SUEZ” are:

- ▶ municipal water (Eau France) and solid waste (R&R France) in France (including CIRSEE, the principal research center in France);
- ▶ SUEZ water activities, in the following regions: Italy (including the equity interest in Acea), the Czech Republic, Africa (including Lydec in Morocco), Central Asia, India, China, Australia and the digital and environmental global business activities (SES);
- ▶ two hazardous waste energy recovery plants in mainland China, which are owned, however, by a business activity allocated in its entirety to Veolia: Shanghai Industrial Park and Suzhou Industrial Park.

The purpose of these combined financial statements is to present the statement of financial position at December 31, 2020 and the income statement from January 1 to December 31, 2020 of “new SUEZ”, considering that all conditions precedent stipulated in the various contractual provisions concerning the operations previously described will be satisfied and that the legal reorganization operations will be implemented.

These combined financial statements have been set based on the historical data coming from the Consolidated Financial Statements of the SUEZ Group prepared for the fiscal year ended December 31, 2020 in accordance with the IFRS reference framework adopted by the European Union. They are not comprehensive IFRS financial statements insofar as they do not present:

- ▶ combined financial statements of Other comprehensive income, change in shareholders' equity and statement of cash flows;
- ▶ notes to the Financial Statements;
- ▶ comparative financial information for fiscal year 2019.

The combination scope does not represent a legal ownership scope, but a combination of legal entities and assets/liabilities under common control of SUEZ (see section “Scope of Combination”).

These combined financial statements were presented to the Audit and Financial Statements Committee on July 26, 2021, and were approved by the Board of Directors of SUEZ S.A. in its capacity as controlling shareholder of the “new SUEZ” entities at its meeting of July 28, 2021.

These combined financial statements are intended to be used by Veolia SA in the publication of *proforma* financial information pursuant to the provisions of the European delegated regulations on Prospectus No. 2019-980, and have been prepared only for this purpose.

Thus:

- ▶ these financial statements are not intended to constitute the “new SUEZ” financial statements;
- ▶ these financial statements are not strictly equal to the contribution of the “new SUEZ” perimeter to the SUEZ financial statements at December 31, 2020 (see Appendix 3).

Scope of combination

As of this date, the “new SUEZ” combined group has no legal existence of its own, but is constituted of legal entities and assets and liabilities under the common control of SUEZ.

The scope of combination used to establish these “new SUEZ” combined financial statements is the scope described in Annex G-1 of the “Share and Asset Purchase Agreement” (SAPA) signed by Veolia, SUEZ and the Consortium on June 29, 2021.

The structuring assumptions that management used for the scope of combination in preparing the Combined Financial Statements are as follows:

- ▶ acceptance by the authorities in charge of merger control of all transfers in all the countries of operation;
- ▶ acceptance by customers with a change of control clause in their contracts of all transfers in all the countries of operation;
- ▶ the consolidation methods (full consolidation, equity consolidation) and the control and interest percentages are identical to those used by SUEZ SA in its financial statements at December 31, 2020.

For the assets and liabilities that are the subject of a *carve out* pursuant to the provisions of the SAPA, the following approaches were used:

- ▶ the legal entity SUEZ Groupe SAS is intended to join Veolia, but it is involved in the two perimeters (“new SUEZ” and Veolia) *via* its branches. An allocation between the two perimeters was therefore made on the basis of the data of the branches and as a function of the contractual geographic allocations between “new SUEZ” and Veolia;
- ▶ the legal entity SUEZ International is intended to join “new SUEZ”, but it is involved in the two perimeters (“new SUEZ” and Veolia) *via* its branches. An allocation between the two perimeters was therefore made on the basis of the data of the branches and as a function of the contractual geographic allocations between “new SUEZ” and Veolia;
- ▶ pursuant to the same principles, the assets, liabilities and results of the parent companies in China and Australia have been divided between the two perimeters on the basis of the documentation underlying the accounts available at December 31, 2020;

- ▶ the K2 landfills (treatment of non-hazardous waste) carried by the Drambon and Bellegarde sites attached to IWS (hazardous waste treatment business activity entering into Veolia) were consolidated in the combined financial statements of “new SUEZ” based on the analytic income statements by business activities historically used by the SUEZ Group (i.e., an EBIT impact of EUR 3.1 million) for the income statement items. For the assets and liabilities attached to these two landfills, the SUEZ Group conducted an analysis that led to the recognition of property, plant and equipment of EUR 23.5 million and a provision for site restoration and long-term monitoring of EUR 3.5 million with equity as a counterpart. No other item relating to these landfills was included in the “new SUEZ” combined financial statements.

Finally, because of the current legal organization of the SUEZ Group, a number of legal entities of “new SUEZ” hold equity shares of legal entities intended to join Veolia. These legal entities were not included in the Combined Statements. The shares held were eliminated in the combined financial statements with a counterpart in equity for their net carrying value (i.e., gross amount of EUR 566.8 million and -EUR 192.7 million of impairment on shares resulting in a net carrying value of EUR 374.1 million). This value is not systematically representative of the purchase price by Veolia, which was not set on the date these Combined Statements were established. With regard to the 2020 combined income statement, the dividends received from these equity interests by “new SUEZ” entities were also eliminated. These dividends amounted to EUR 49.1 million over fiscal year 2020.

Methods used to establish the combined financial statements

The principal methods used to prepare the attached combined financial statements are as follows:

1. The combined statements reflect the autonomy of “new SUEZ” (“costs of doing business”)

The services rendered to “new SUEZ” by SUEZ Groupe SAS and SUEZ SA, companies to be acquired by Veolia, are invoiced through (i) management fees, (ii) know-how fees, (iii) brand name fees and (iv) direct reinvoicing. These historical invoices are maintained in the combined financial statements of “new SUEZ” because they reflect the costs of doing business.

For information, SUEZ Group performed an analysis of the historical parent company costs over fiscal 2020 as part of the preparation for the sale of “new SUEZ” to the Consortium. In this analysis, SUEZ Group estimates that the share of historical costs that could be classified as “costs of doing business” for

“new SUEZ” would be EUR 110.6 million after taking into account the existing direct reinvoicing. The amount of the management fees, know-how, and brand name fees maintained in the “new SUEZ” combined financial statements is EUR 130.3 million.

In addition, SUEZ SA and SUEZ Groupe SAS in 2020 carry restructuring costs for EUR 47.6 million related to the actions initiated by the Group following ENGIE’s sale to Veolia of a 29.9% equity interest in the capital of SUEZ SA, and the costs to implement the SUEZ 2030 strategic plan and the SPOT 2023 saving program for the amount of EUR 39.3 million. These costs were not reallocated to “new SUEZ” in the preparation of the combined financial statements.

The costs for the personnel of SUEZ Groupe SAS and SUEZ SA, with the exception of the costs for services rendered directly to the entities of “new SUEZ”, have been maintained at SUEZ Groupe SAS and SUEZ SA. All post-employment benefit obligations and other long-term benefits for these employees were retained in their entirety at SUEZ Groupe SAS and SUEZ SA.

Management did not identify additional costs to be allocated to “new SUEZ” pursuant to this principle.

2. Transactions between “new SUEZ” and the SUEZ entities intended for acquisition by Veolia

All balances related to transactions between the “new SUEZ” entities and the other SUEZ entities to be acquired by Veolia are presented in the combined statement of financial position as third-party asset or liability accounts.

The transactions of the income statement between the entities of “new SUEZ” have been eliminated, while the transactions between “new SUEZ” entities and the entities to be acquired by Veolia have been maintained in the income statement.

The same principle was applied for the transactions in the statement of financial position.

These transactions have been indicated in Appendix 3.

3. Entities intended for acquisition by Veolia and held by “new SUEZ” entities

With regard to the scope of combination described above, certain SUEZ entities intended for acquisition are held by “new SUEZ” entities. In the attached combined statements, these SUEZ equity interests intended for acquisition have been reclassified as a reduction of shareholders’ equity (see section “Scope of Combination”).

4. Allocation of the historical goodwill items booked in the companies intended for acquisition by Veolia and relating to “new SUEZ” entities

The “new SUEZ” combined statement of financial position was prepared using the carrying values of the assets, including the goodwill and acquisition accounting (Purchase Price Allocation – PPA) related to the activities concerned in terms of paragraph D16(a) of IFRS 1 (“First-time Adoption of International Financial Report Standards”) and of the liabilities of “new SUEZ” entities as they appear in the Consolidated Financial Statements of the SUEZ Group at December 31, 2020.

The historical goodwill booked in the entities intended for the Veolia acquisition and relating to “new SUEZ” entities have been allocated to “new SUEZ” entities in the combined financial statements pursuant to this principle. For goodwill items in currency, the translation rate used is the rate at December 31, 2020. The foreign exchange impacts for these goodwill items are presented in their entirety as consolidation reserves.

No reallocation of historical goodwill was made for the specific case of carve outs of entities or mixed (partly Veolia and partly “new SUEZ”) business units. The portion of goodwill to be potentially reallocated was considered non-material under the principle of relative importance.

5. Leases

The leases historically recognized in accordance with IFRS 16 in a “new SUEZ” entity have been retained in the combined financial statements.

In addition, the historical direct re invoicing of the rent for the Group’s headquarters to the entities of the “new SUEZ” for occupied spaces has been maintained in the combined statements and treated in accordance with IFRS 16 (appendix 1 specifies the financial impacts retained in the financial statements of the “new SUEZ” in relation to the SUEZ consolidated statements reported at December 31, 2020).

6. Cumulative translation adjustments (foreign exchange reserves)

Historical cumulative translation adjustments have been retained within combined shareholders’ equity.

7. Corporate income tax

The tax liability at December 31, 2020 was recognized on the basis of a “standalone” taxation, entity by entity, including for the entities included within the tax consolidation groups.

Under the French tax consolidation convention, the deficits recognized during the period of belonging to the French tax consolidation group are the property of SUEZ S.A. As a result, no deferred tax assets were recognized for these deficits in the combined financial statements presented.

All the timing differences of each entity (used as the basis for deferred tax assets and liabilities) are recognized in the combined financial statements.

8. Trademarks and Intellectual Property intended for acquisition by “new SUEZ”

The use of trademarks and intellectual property items is invoiced to “new SUEZ”. As a result, these asset items were not included in the combined financial statements. The invoices issued were maintained in the combined income statement.

9. Financing

The financial conditions of the financing arrangements in place were maintained, without adjustment, in the combined income statement.

The loans and borrowings with the entities to be acquired by Veolia appear in the assets and liabilities of the combined statement of financial position.

10. Subsequent events

The combined statement of financial position of “new SUEZ” has been prepared using the carrying values of the assets and liabilities as they appear in the Consolidated Financial Statements of the SUEZ Group as of December 31, 2020.

No significant subsequent event affects this valuation.

APPENDIX 1 APPENDIX 1 IFRS 16 – Sub-lease Impact

The impacts associated with the sub-lease of the CB21 tower by "new SUEZ" entities from the external lessor SUEZ Groupe SAS in the combined financial statements of "new SUEZ" at December 31, 2020 are the following:

Lease contract of CB21 Tower <i>(in millions of euros)</i>	Impacts in "new SUEZ" combined account	Impacts in SUEZ published accounts
Rights of use	109	148
Amortization	(34)	(49)
Assets	75	99
Net income	-	(1)
Retained earnings	-	(1)
<i>Equity</i>	<i>(1)</i>	<i>(1)</i>
Lease liability – current	17	22
Lease liability – non current	59	79
Liabilities and Equity	75	99

APPENDIX 2 Specific financial information

The attention of the reader of the financial statements is called to the following specific financial information:

- ▶ the amount of the renewal liability included in the combined financial statements of the "new SUEZ" is EUR 187.6 million. This amount was EUR 211.4 million in the SUEZ statements reported at December 31, 2020 (See Note 1.6.13.4 of the SUEZ Universal Registration Document);
- ▶ the net intangible rights on concession arrangements included in the "new SUEZ" combined financial statements total EUR 1,155.8 million. This amount was EUR 3,009.2 million in the SUEZ financial statements reported at December 31, 2020 (See Note 10.1 of the SUEZ Universal Registration Document);
- ▶ the amount of bank overdrafts and cash current accounts included in the "new SUEZ" combined financial statements is EUR 1,323.4 million *versus* EUR 1,084.7 million in the SUEZ financial statements reported at December 31, 2020 (See Note 13.2.1 of the SUEZ Universal Registration Document);
- ▶ the current portion of the concession receivables included in the combined financial statements of the "new SUEZ" is EUR 26.3 million, compared with EUR 44.3 million in the SUEZ reported financial statements. The non-current portion of these same concession receivables is EUR 184.7 million in the "new SUEZ" combined financial statements, *versus* EUR 349.6 million in the reported financial statements of SUEZ (see Note 13.1.2 of the SUEZ Universal Registration Document);
- ▶ the current portion of the finance lease receivables in the SUEZ financial statements reported at December 31, 2020 was EUR 0.6 million. The non-current portion was nil (see Note 13.1.2 of the SUEZ Universal Registration Document);
- ▶ in the "new SUEZ" combined financial statements, no finance lease receivable is identified.

APPENDIX 3 Transactions between the “new SUEZ” entities and the entities intended to join Veolia

COMBINED INCOME STATEMENT FOR FISCAL YEAR 2020

<i>(in millions of euros)</i>	Technical eliminations in SUEZ accounts between “new SUEZ” entities and entities which will join VEOLIA within the historical perimeter of SUEZ	Adjustments already present in the financial statement of “new SUEZ”	Internal transaction between “new SUEZ” entities and entities joining Veolia
Revenues	(75.1)	-	(75.1)
Current operating income	(0.7)	-	(0.7)
Income from operating activities	(2.2)	2.4	(4.6)
Net financial income	(47.8)	(49.1) ^(a)	1.3

(a) This amount corresponds to the elimination of the dividends paid to “new SUEZ” entities by entities to be acquired by Veolia (see Scope of Combination).

COMBINED STATEMENT OF FINANCIAL POSITION FOR FISCAL YEAR 2020

The following table shows the technical elimination amounts included in the SUEZ consolidated accounts as at December 31, 2020 between "new SUEZ" entities and entities to be acquired by Veolia.

(in million of euros)

Non-current assets	
Intangibles assets, net	-
Right of use	(83)
Goodwill	-
Property, plant and equipment net	-
Equity instrument	193
Loans and credits at amortized cost	(441)
Derivative financial instruments	-
Investments in joint ventures/Investments in associates	-
Assets Contracts	-
Other assets	-
Deferred tax asset	-
Current assets	
Loans and credits at amortized cost	(13)
Derivative financial instruments	-
Trade and other receivables	(126)
Inventories	-
Assets Contracts	-
Other assets	(112)
Financial assets measured at fair value through income	-
Cash and cash equivalent	(447)
Shareholder's equity Group share	217
Non-controlling interests	-
Non-current liabilities	
Provisions	(19)
Long-term borrowings	(484)
Lease liabilities	(67)
Derivative financial instruments	-
Other financial liabilities	-
Liabilities Contracts	-
Other liabilities	12
Deferred tax liability	-
Current liabilities	
Provisions	-
Short-term borrowings	(420)
Lease liabilities	(18)
Derivative financial instruments	-
Trade and other payables	(160)
Liabilities Contracts	(3)
Other liabilities	(89)

The Equity instruments in the amount of EUR 193 million corresponds to impairment on equity interests in subsidiaries, joint activities, joint ventures and related companies. The non-current provisions in the amount of -EUR 19 million represents provisions for risks on equity interests. These two impacts were eliminated against equity in the "new SUEZ" accounts (see Scope of combination).

Statutory Auditors' limited review report on "new SUEZ" combined financial statements as at December 31, 2020

This is a free translation into English of the Statutory Auditors' review report on the combined financial statements of the New SUEZ scope issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the President,

In our capacity as Statutory Auditors of SUEZ and in response to your request, defined by the request made by Veolia Environnement S.A. in the context of its publication of *pro forma* financial information in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/980, we have performed a review of the accompanying "new SUEZ" combined financial statements, the "Financial Information", for the year ended December 31, 2020.

Due to the global crisis related to the Covid-19 pandemic, the Financial Information of this period has been prepared and reviewed under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. These measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and the performance of our procedures.

The Financial Information is the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with the professional standards applicable in France and the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this intervention. 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 accompanying Financial Information is not prepared, in all material respects, in accordance with the valuation and accounting policies described in the Basis of Preparation attached to the Financial Information.

Without qualifying our conclusion, we draw your attention to the following:

- ▶ the "Context" note in the Basis of Preparation, which explains that this Financial Information is intended to be used by Veolia Environnement S.A. in the context of its publication of *pro forma* financial information pursuant to the provisions of the Commission Delegated Regulation (EU) 2019/980 and does not constitute full financial statements in accordance with IFRS as adopted by the European Union. In particular:
 - this Financial Information does not include certain information required by IFRS as adopted by the European Union or comparative information for financial year 2019,
 - the scope of combination excludes certain entities controlled by combined entities;
- ▶ the "Scope of Combination" note in the Basis of Preparation, which sets out the structuring assumptions and approaches to the scope of combination used by management in preparing the Financial Information.

Paris-La Défense, July 28, 2021

The Statutory Auditors *French original signed by*

MAZARS

Achour Messas

ERNST & YOUNG ET AUTRES

Jean-Christophe Goudard

**“new SUEZ” Key financial indicators
for half year and fiscal year 2020
and for half year 2021**

Selected Key indicators

UNAUDITED KEY FINANCIAL INDICATORS – FULL YEAR 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Revenue	17,209.0	6,608.7	1,592.9
EBITDA	2,814.8	1,182.7	211.5
Capex	(1,323.5)	(455.0)	(60.2)
Items included in EBITDA			
Share in net income of equity-accounted companies	144.8	119.3	4.2
Net allocations to provisions for employee benefits and other	78.6	27.4	2.1
Items excluded from EBITDA			
Brand and know-how fees	1.2	(72.2)	(22.4)
IFRIC 21 impacts	0.3	-	-
Mark-to-Market on operating financial instruments	4.6	4.5	-
Impairment of current assets	(203.8)	(62.5)	(3.0)
IFRIC 12 cash-in	44.4	9.3	-
Items excluded from capex			
Disposals of property, plant and equipment and intangible assets	40.6	15.1	1.9
Capex IFRS 16	(323.0)	(117.5)	(62.5)
Capex IFRIC 12	(52.2)	(34.0)	-

UNAUDITED KEY FINANCIAL INDICATORS – FIRST HALF 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Revenue	8,166.6	3,050.4	737.9
EBITDA	1,196.4	562.1	80.5
Capex	(626.0)	(221.1)	(26.8)
Items included in EBITDA			
Share in net income of equity-accounted companies	55.3	52.2	2.1
Net allocations to provisions for employee benefits and other	49.5	26.9	1.8
Items excluded from EBITDA			
Brand and know-how fees	(0.2)	(34.4)	(10.1)
IFRIC 21 impacts	(46.1)	(17.8)	(1.1)
Mark-to-Market on operating financial instruments	(0.2)	-	-
Impairment of current assets	(168.7)	(57.5)	(0.1)
IFRIC 12 cash-in	17.5	6.4	-
Items excluded from capex			
Disposals of property, plant and equipment and intangible assets	18.7	2.0	1.1
Capex IFRS 16	(151.6)	(43.7)	(33.0)
Capex IFRIC 12	(17.5)	(9.1)	-

UNAUDITED KEY FINANCIAL INDICATORS – FIRST HALF 2021

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Revenue	8,711.3	3,563.3	604.5
EBITDA	1,600.7	711.0	97.9
Capex	(566.4)	(161.0)	(19.4)
Items included in EBITDA			
Share in net income of equity-accounted companies	96.5	76.2	2.4
Net allocations to provisions for employee benefits and other	6.1	2.6	(0.1)
Items excluded from EBITDA			
Brand and know-how fees	2.6	(35.8)	(6.4)
IFRIC 21 impacts	(42.7)	(17.6)	(1.2)
Mark-to-Market on operating financial instruments	(0.9)	0.2	-
Impairment of current assets	26.6	(14.1)	(0.8)
IFRIC 12 cash-in	6.3	4.1	-
Items excluded from capex			
Disposals of property, plant and equipment and intangible assets	34.2	9.6	1.1
Capex IFRS 16	(95.3)	(52.0)	(1.7)
Capex IFRIC 12	(45.8)	(10.2)	-

Revenue by geography and by operating segment

12 months 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Europe	3,770	2,267	-
AMECAI	972	826	-
Asia Pacific	440	425	-
Americas	1,635	-	-
Water	6,817	3,519	-
Europe	6,060	2,695	1,593
AMECAI	76	36	-
Asia Pacific	1,074	-	-
Americas	47	-	-
R&R	7,256	2,731	1,593
Europe	1,417	252	-
AMECAI	146	16	-
Asia Pacific	524	20	-
Americas	1,398	34	-
ETS	3,485	323	-
Other	(350)	36	-
Total	17,209	6,609	1,593

Note: SUEZ revenue includes intragroup revenue with other segments. “new SUEZ” and Other disposals do not.

Key financial indicators in relation with “new SUEZ” perimeter for half year and fiscal year 2020 and for the first semester 2021

First half 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Europe	1,754	1,077	-
AMECAI	449	391	-
Asia Pacific	194	186	-
Americas	824	-	-
Water	3,221	1,654	-
Europe	2,857	1,252	738
AMECAI	40	15	-
Asia Pacific	532	-	-
Americas	22	-	-
R&R	3,451	1,267	738
Europe	634	98	-
AMECAI	76	5	-
Asia Pacific	231	6	-
Americas	702	20	-
ETS	1,643	129	-
Other	(148)	-	-
Total	8,167	3,050	738

Note: SUEZ revenue includes intragroup revenue with other segments. “new SUEZ” and Other disposals do not.

First half 2021

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Europe	1,833	1,110	-
AMECAI	485	419	-
Asia Pacific	206	196	-
Americas	760	-	-
Water	3,284	1,725	-
Europe	3,261	1,661	604
AMECAI	39	11	-
Asia Pacific	582	-	-
Americas	31	-	-
R&R	3,913	1,672	604
Europe	702	129	-
AMECAI	64	6	-
Asia Pacific	269	13	-
Americas	633	18	-
ETS	1,668	166	-
Other	(154)	-	-
Total	8,711	3,563	604

Note: SUEZ revenue includes intragroup revenue with other segments. “new SUEZ” and Other disposals do not.

EBITDA by operating segment

12 months 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Water	1,596	812	-
R&R	937	350	212
ETS	386	19	-
Other	(105)	1	-
EBITDA	2,815	1,183	212

First half 2020

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Water	682	382	-
R&R	425	173	80
ETS	139	(2)	-
Other	(50)	9	-
EBITDA	1,196	562	80

First half 2021

<i>(in millions of euros)</i>	SUEZ	“new SUEZ”	Other disposals
Water	814	424	-
R&R	591	263	98
ETS	229	14	-
Other	(33)	10	-
EBITDA	1,601	711	98

Basis of presentation

Foreword

The financial indicators presented have been calculated based on the "new SUEZ" Combined Financial Statements as of December 31, 2020. In this regard, the basis of preparation of those Combined Financial Statements also apply to them.

Definition of financial indicators

The financial indicators presented are revenues, EBITDA and maintenance and development capital expenditure (Capex). For non-GAAP items, these indicators are those normally presented by SUEZ. The reconciliation of EBITDA with a GAAP indicator is presented in chapter 7.2.1 of the SUEZ 2020 Universal Registration Document.

Are also presented, additional financial items which are included or not in the SUEZ definitions. In this regard, the following are presented for EBITDA:

- ▶ the share in net income of equity-accounted companies considered as core business;
- ▶ the amount of know-how and brand name fees;
- ▶ net allocations to provisions for employee benefits (pension and LTI);
- ▶ depreciation of inventories, trade receivables and other assets;
- ▶ inflows related to financial receivables relating to concession contracts;
- ▶ other items, including:
 - the amount of the expenses recognized under IFRIC 21,
 - the Mark-to-Market on operating financial instruments.

For capital expenditure, the following are presented:

- ▶ disposals of property, plant and equipment and intangible assets;
- ▶ disbursements related to financial receivables relating to concession contracts;
- ▶ asset inflows relating to the rights of use of the leases recognized in accordance with IFRS 16;
- ▶ asset terminations relating to the rights of use of the leases recognized in accordance with IFRS 16.

It should be noted that the items on financial receivables relating to concession contracts are usually not presented in the notes to the SUEZ Group's financial statements.

All these adjustments are presented in Appendix.

Methodology for calculating "new SUEZ" financial indicators for full year 2020

The financial indicators at December 31, 2020 are calculated directly from the Combined Financial Statements in accordance with the basis of preparation of these.

For the full year 2020 a EUR 81 million expense, corresponding to the historical know-how and brand name fees (excluded from the SUEZ EBITDA definition), a "cost of doing business" expense as described under "Methods used to establish the Combined Financial Statements", note 1, is included under "Items excluded from EBITDA" with the equivalent amounts for the first half of 2020 and the first half of 2021.

Methodology for calculating "new SUEZ" financial indicators for the first half of 2020 and the first half of 2021

In the absence of "new SUEZ" combined financial statements for the first half of 2020 and the first half of 2021, financial indicators were calculated from a combination between:

- ▶ the consolidation packages of legal entities contributing to "new SUEZ", and also used for the SUEZ consolidated accounts at June 30, 2020 and June 30, 2021;
- ▶ Management indicators from the consolidated statements of the SUEZ Group as at June 30, 2020 and June 30, 2021 entered directly in the SUEZ Group's consolidation tool (Trade Code), in the case of the carve out of business activities, particularly in Asia and Australia.

In certain cases, simplifications were made in establishing the scope for the indicators presented at June 30, 2020 and June 30, 2021. They primarily concern SES activities in the ETS Segment for a total amount of revenue of less than EUR 5 million.

The vision through Trade Code corresponds to the way SUEZ Group's financial control teams usually conduct their analysis and review works. This reading perspective complements that of the legal entities and together they form an Entity x Business matrix that provides a precise and exhaustive view of the performance of the SUEZ Group's business activities.

Finally, the revenues presented for the first half of 2020 and the first half of 2021 are the contribution to the SUEZ Group consolidated revenues. In particular, all intercompany transactions between SUEZ Group entities were eliminated.

Methodology for calculating the financial indicators of the divested activities for the first half of 2020, full year 2020 and the first half of 2021

The scope of the divested activities covers:

- ▶ the Osis business activities, sold to Veolia;
- ▶ the Waste Recycling & Recovery business activities in Sweden;
- ▶ the Waste Recycling & Recovery business activities in four countries in mainland Europe.

The financial indicators are based on the consolidation reportings used for the SUEZ consolidated accounts and therefore on the contribution to the SUEZ Consolidated financial Statements. In particular, all intercompany transactions between SUEZ Group entities were eliminated.

APPENDIX Definition of key financial indicators

EBITDA: Restatement items based on SUEZ definition

Included items in EBITDA

Share in net income of equity-accounted companies
Net allocations to provisions for employee benefits and other

Items excluded from EBITDA

Brand and know-how fees
IFRIC 21 impacts
Mark-to-Market on operating financial instruments
Impairment of current assets
IFRIC 12 cash-in

CAPEX: Restatement items based on SUEZ definition

Excluded items from CAPEX

Disposals of property, plant and equipment and intangible assets
CAPEX IFRS 16
CAPEX IFRIC 12

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Design and production: Agence Marc Praquin.

