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**TotalEnergies Capital International
(Formerly Total Capital International)**

Period from January 1 to March 31, 2022

**Statutory auditors' review report
on the condensed interim financial statements**

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TotalEnergies Capital International (Formerly Total Capital International)

Period from January 1 to March 31, 2022

Statutory auditors' review report on the condensed interim financial statements

To the Chairman and Chief Executive Officer,

In our capacity as statutory auditors of TotalEnergies Capital International and in accordance with your request we have performed a review of the accompanying condensed interim financial statements for the period from January 1 to March 31, 2022.

Due to the global crisis related to the Covid-19 pandemic, the condensed interim financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our work.

Management is responsible for the preparation and fair presentation of these condensed interim financial statements. As they are not intended to be presented to the shareholders, they have not been approved by the Board of Directors. Our role is to express a conclusion on these condensed interim financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. A review 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 interim financial statements, are not prepared, in all material respects, in accordance with evaluation and accounting principles set out in the notes to the condensed interim financial statements.

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim, dispute or difference resulting from our engagement letter or the present report, or any related matters. Each party irrevocably waives its right to oppose any action brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

Paris-La Défense, May 6, 2022

The Statutory Auditors
French original signed by

KPMG Audit
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**CONDENSED FINANCIAL STATEMENTS
AS OF 31 MARCH 2022**

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- INCOME STATEMENT AS OF 31 MARCH 2022
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**BALANCE SHEET
AS OF 31 MARCH 2022**

BALANCE SHEET AS OF 31 MARCH 2022

ASSETS	31-Mar-22			31-Dec-21	31-Mar-21	LIABILITIES	31-Mar-22	31-Dec-21	31-Mar-21
	Gross	Amortizations, depreciations and provisions	Net						
FIXED ASSETS						SHAREHOLDERS' EQUITY (note 3)			
FINANCIAL ASSETS (note 2)	30,652,138,355		30,652,138,355	30,928,033,333	32,605,632,361	Capital	300,000	300,000	300,000
Long-term loans	30,450,060,003		30,450,060,003	30,728,069,582	32,407,545,082	Reserves	31,718,799	31,718,799	31,718,799
Drawdowns on credit facilities	-		-	-	-	Legal Reserves	30,000	30,000	30,000
Accrued interests on long-term loans	202,078,352		202,078,352	199,963,751	198,087,279	Retained Earnings	31,688,799	31,688,799	31,688,799
Accrued interests on credit facilities	-		-	-	-	2021 income yet to be allocated	15,084,878	-	-
						Income for fiscal year	3,859,710	15,084,878	3,263,662
SUB TOTAL I	30,652,138,355	-	30,652,138,355	30,928,033,333	32,605,632,361	SUB TOTAL I	50,963,387	47,103,677	35,282,461
CURRENT ASSETS						PROVISIONS			
						SUB TOTAL II	-	-	-
RECEIVABLES	55,013,886		55,013,886	52,006,653	38,671,187	LIABILITIES			
Current accounts and inter-company loans	53,448,855		53,448,855	49,841,633	37,997,929	Debenture loans and similar debt debentures (note 4)	30,648,416,030	30,926,173,746	32,602,061,169
Related accounts receivable	755,444		755,444	1,527,370	-	Debenture loans after hedge swaps	30,450,060,003	30,728,069,582	32,407,547,763
Other receivables	-		-	-	-	Accrued interests on debenture loans after swaps	198,356,027	198,104,164	194,513,406
Tax and social receivables	-		-	-	-	Miscellaneous borrowings and financial debts	-	-	29,909
Accrued income	809,587		809,587	637,650	673,259	Commercial Papers	-	-	-
	-		-	-	-	Bank and security deposits	-	-	-
						Creditor current accounts	-	-	24,451
						Related accounts payables on miscellaneous financial liabilities	-	-	5,458
						Diverse liabilities	-	-	-
						Operating liabilities	5,788,092	4,817,258	4,993,380
						Trade notes and account payables	-	-	4,685,665
						Tax and social liabilities	5,788,092	4,817,258	307,715
SUB TOTAL II	55,013,886	-	55,013,886	52,006,653	38,671,187	SUB TOTAL III	30,654,204,122	30,930,991,004	32,607,084,457
PREPAID EXPENSES III						PREPAID INCOME IV	1,984,732	1,945,305	1,936,630
TOTAL (I+II+III)	EUR 30,707,152,241	-	30,707,152,241	30,980,039,986	32,644,303,548	TOTAL (I+II+III+IV)	EUR 30,707,152,241	30,980,039,986	32,644,303,548

**INCOME STATEMENT
AS OF 31 MARCH 2022**

INCOME STATEMENT AS OF 31 MARCH 2022

EXPENSES	31-Mar-22	31-Dec-21	31-Mar-21	INCOME	31-Mar-22	31-Dec-21	31-Mar-21
OPERATING EXPENSES				OPERATING INCOME			
External expenses	155,383	1,448,963	1,046,888	Miscellaneous income	-	10,044	
Taxes	-	-	-				
SUB TOTAL I	155,383	1,448,963	1,046,888	SUB TOTAL I	-	10,044	-
FINANCIAL EXPENSES				FINANCIAL INCOME			
Interests on debenture loans after swaps	194,137,756	759,252,178	189,296,151	Interests on long-term loans	198,541,252	774,657,398	192,791,707
Interests on Commercial Papers				Interests on credit facilities			
Interests on NEU CP (ex Billets de Trésorerie)				Interests on inter-company loans			
Interests on borrowings	-			Interests on current accounts	36,482	2,131,735	22,749
Interests on current accounts	618,021	-	996,928	Interests on bank and security deposits			
Interests on bank and security deposits	-			Income from dedicated swaps			
Expenses on special rates' swaps	-	-		Income on special rates' swaps			
Interests on dedicated swaps	-			Other interests and similar income	-	-	
Other financial expenses	-	16,683,738		Diverse financial interests	-	16,797,640	57,148
Foreign exchange loss	-	-		Foreign exchange income	1,503,001	4,524,165	2,929,165
Diverse financial expenses							
SUB TOTAL II	194,755,777	775,935,916	190,293,079	SUB TOTAL II	200,080,734	798,110,938	195,800,769
EXTRAORDINARY EXPENSES				EXTRAORDINARY INCOME			
SUB TOTAL III	-	-	-	SUB TOTAL III	-	-	-
INCOME TAX IV	1,309,864	5,651,225	1,197,140				
NET INCOME FOR THE PERIOD	3,859,710	15,084,878	3,263,662	NET LOSS FOR THE PERIOD	-	-	-
TOTAL	200,080,734	798,120,982	195,800,769	TOTAL	200,080,734	798,120,982	195,800,769

**CASH FLOW STATEMENT
AS OF 31 MARCH 2022**

CASH FLOW STATEMENT

in thousands of euros

	31/03/2022	31/12/2021
<u>OPERATING CASH FLOW</u>		
Fiscal period income as of 31.12.2021		15,085
Fiscal period income as of 31.03.2022	3,860	
Decrease (increase) in working capital requirement	553	956
Net Operating Cash Flow	4,413	16,041
<u>INVESTING CASH FLOW</u>		
Increase in long-term loans	(203,583)	(200,357)
Repayment of long-term loans	1,113,063	3,030,934
Net Investment Cash Flow	909,480	2,830,577
<u>FINANCING CASH FLOW</u>		
Dividends paid		
Net loans issued	(884,874)	(2,607,658)
Changes in short-term financial liabilities	(626)	(150)
Changes in short-term receivables	(2,775)	(13,089)
Net Financial Cash Flow	(888,276)	(2,620,897)
Cash increase (decrease)	25,617	225,722
Impact on foreign exchange fluctuations	(25,617)	(225,722)
Cash at the beginning of the period	0	0
Cash at the end of the period	0	0

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 quarter of 2022, TotalEnergies Capital International continued its activity on debt capital markets through various debt issuance programs, together with a management of interest rate and currency risk, if required.

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

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

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

Interest rates and currency transactions were concluded by empowered entities of TotalEnergies SE in association with the development of the financial activities of TotalEnergies Capital International, towards the Company as well as the market.

ENVIRONMENT

Despite the progress made with the COVID-19 vaccination campaign in developing countries, new variant outbreaks make it 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 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 announced 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 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 International uses multi-currency accounting, as financial institutions do.

Therefore, at closing, TotalEnergies Capital International 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 International's exposure to fluctuations in interest rates and foreign exchange rates.

The interest differentials along with the premium or 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 as revenue 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.

NOTE 2: FINANCIAL ASSETS

Fixed financial assets of TotalEnergies Capital International are comprised of long-term loans in US dollars with TotalEnergies Finance for an amount of 23,750 M EUR and with TotalEnergies SE for an amount of 6,700 M EUR.

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	27,862	3,827	31,689
Income for fiscal year 2020	3,827	(3,827)	0
Dividend distribution			
Income as of 31/12/2021			15,085
TOTAL SHAREHOLDERS' EQUITY	32,019	0	47,104

in thousands of euros

2022	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2021	POSITION AS OF 31/03/2022
Share capital	300		300
Legal reserve	30		30
Retained earnings	31,689		31,689
Income for fiscal year 2021 not yet allocated	15,085		15,085
Dividend distribution			0
Income as of 31/03/2022			3,860
TOTAL SHAREHOLDERS' EQUITY	47,104	0	50,963

NOTE 4: DEBENTURE LOANS AND SIMILAR DEBENTURES

During the first quarter of 2022, TotalEnergies Capital International did not issue any new debenture loan. Reimbursement of debenture loans at maturity during that same period were 1,000 M USD in nominal value.

NOTE 5: OFF-BALANCE SHEET COMMITMENTS

Derivative financial instruments – interest rate risk management

During the first quarter of 2022, no interest rate swap and/ or cross-currency swap matched to new debenture loans were issued. No interest rate swap and/ or cross-currency swap matched to debenture loans reimbursed during that period matured.