



UK Power Networks: acquiring the best-in-class regulated power distribution network in the UK

26 February 2026





AGENDA

PART 1

**FY 2025
Results**

PART 2

UK Power Networks

**01 PERFECT
STRATEGIC FIT**

**02 Valuation and
financing plan**

PART 3

Medium-term outlook

01 Strategic overview

02 Capital allocation
and outlook

03 Concluding remarks
and Q&A



PERFECT STRATEGIC FIT

CATHERINE MACGREGOR

CEO

ENERGY AT TOP OF COUNTRIES' AGENDAS

Energy Transition continuing momentum

Electrification is underway, molecules are here to stay
Flexibility to bolster **system resilience**
Maximized by **power grid** strengthening

Geopolitical uncertainty on the rise

More **frequent** political and **geopolitical turbulence**
Europe: Energy Transition, security and affordability
Balanced geographical mix is crucial



**ENGIEs “Best Energy transition Utility”
profile more pertinent than ever**

DECISIVE MOVE TOWARDS OUR BEST ENERGY TRANSITION UTILITY AMBITION

Unique opportunity to
rebalance ENGIE
portfolio towards
power networks

Growing, regulated
predictable cashflows
to enhance our
Utility profile

Bolstering our
presence in the UK,
now our
2nd largest country

Earnings accretive
from first full-year,
with **dividend policy**
and **rating unchanged**



**Delivering on our mid-2024 pledge to
expand in power networks in Europe**

UK POWER NETWORKS, BEST-IN CLASS REGULATED POWER DISTRIBUTION NETWORK IN THE UK

Leading DNO in UK, across 3 licenses (East of England, London and South-East of England)

192,000km

Network length

76%

Underground lines

71TWh

Annual power distributed

8.5m

Customers



Track record of outstanding safety & operational performance

- #1** Over the first two years ED2, UKPN achieved best-in-class **11.5% RoRe**
- #1** Best DNO in Ofgem's broad measure of **customer satisfaction (94.2%)**
- #1** Leading innovation with **#1 in the UK for smart grid capabilities¹**

Mar-2024/25 key indicators

+14%

£9.2bn

RAV² end-March 2025

£10.5bn

RAV² estimated end-March 2028

£1.3bn

Capex

£1.4bn

CFFO³

6,500 professionals, recognised for their expertise, excellence & commitment.

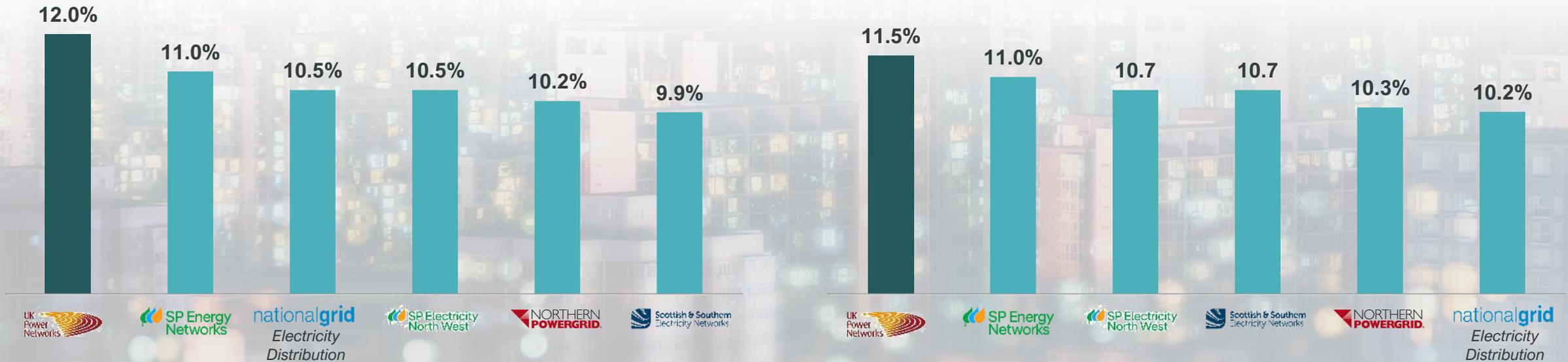
1. Singapore Power Group's Smart Index
2. Regulatory Asset Value
3. Cash Flow From Operations = Free Cash Flow before Maintenance Capex

A DECADE OF TOP PERFORMANCE AMONGST UK POWER DNOs

Track record of Outstanding Performance over RII0-ED1 & the first two years of RII0-ED2

RoRE¹ over RII0-ED1 (2015/16-2022/23)

RoRE¹ over the first two years of RII0-ED2 (2023/24-2024/25)



STRONG MOMENTUM FOR ENERGY TRANSITION

Energy Transition at the heart of government **Clean Power 2030** Action Plan:

- Aiming for **low-carbon share of generated power to rise to >95% by 2030**
- With **Carbon emissions reduction of 70%**
- Legally binding **Net Zero target by 2050**

Massive electrification of usage expected, boosting networks investments

x2 by 2050¹

Electricity generation expected in the UK

x2 by 2050²

Electricity demand expected in the UK

Boosting both **expansion of electricity networks** and **reinforcement of existing networks**

£45-60bn by 2050²

Load related capex in distribution networks

1. Source: « Future Energy Scenarios », National Energy System Operator
2. National Infrastructure Commission, February 2025

UK REGULATION: STABILITY, PERFORMANCE, CUSTOMER-ORIENTED

A regulation that brings **stable** and **predictable cash-flows** with **outperformance** shared with customers

01 **Stability & transparency**

Promoting investment, protecting consumers' interests, with long-term planning to meet demand growth

02 **Inflation & volume protection**

Inflation-linked returns and **volume-risk shields** with revenue adjustments

03 **Incentives mechanism**

Totex and operational performance

Customer satisfaction metrics





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01 Perfect
strategic fit

**02 VALUATION AND
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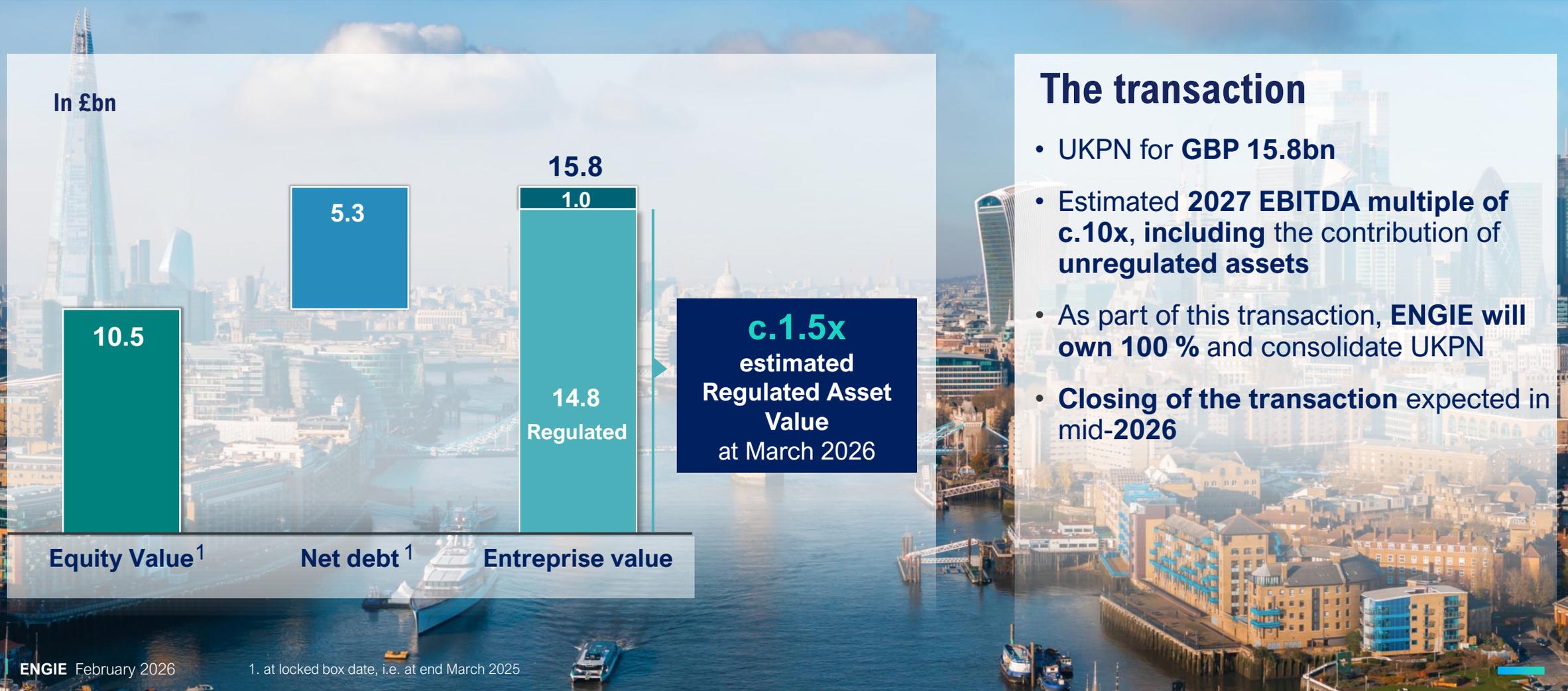


VALUATION AND FINANCING PLAN

PIERRE-FRANÇOIS RIOLACCI

EVP in charge of Finance,
ESG and Procurement

KEY VALUATION METRICS



UK POWER NETWORKS: SOLID FINANCIAL RESULTS AND OUTLOOK

UKPN's full-year financials (April to March)

£bn	03/22	03/23	03/24	03/25
EBITDA	1.3	1.4	1.2	1.8
EBIT	0.9	1.0	0.7	1.4
Net Income	0.3	0.6	0.3	0.9
CFFO	1.2	1.1	1.0	1.4
Totex	0.9	1.0	1.1	1.3
Gross capex¹	0.9	0.9	1.1	1.3
RAV	7.2	8.1	8.6	9.2

Strong outlook

£2.2bn gross capex over April 26 to March 28

£10.5bn RAV at end-March 2028

Strong EBIT growth over April 26 to March 28

Mid-single digit growth bottom line expected in the long-term

FINANCING PLAN SUPPORTED BY STRONG BALANCE SHEET



