

Renault Group

2023 H1 Financial Results

July 27, 2023

Agenda

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2023 H1 Highlights & Strategy

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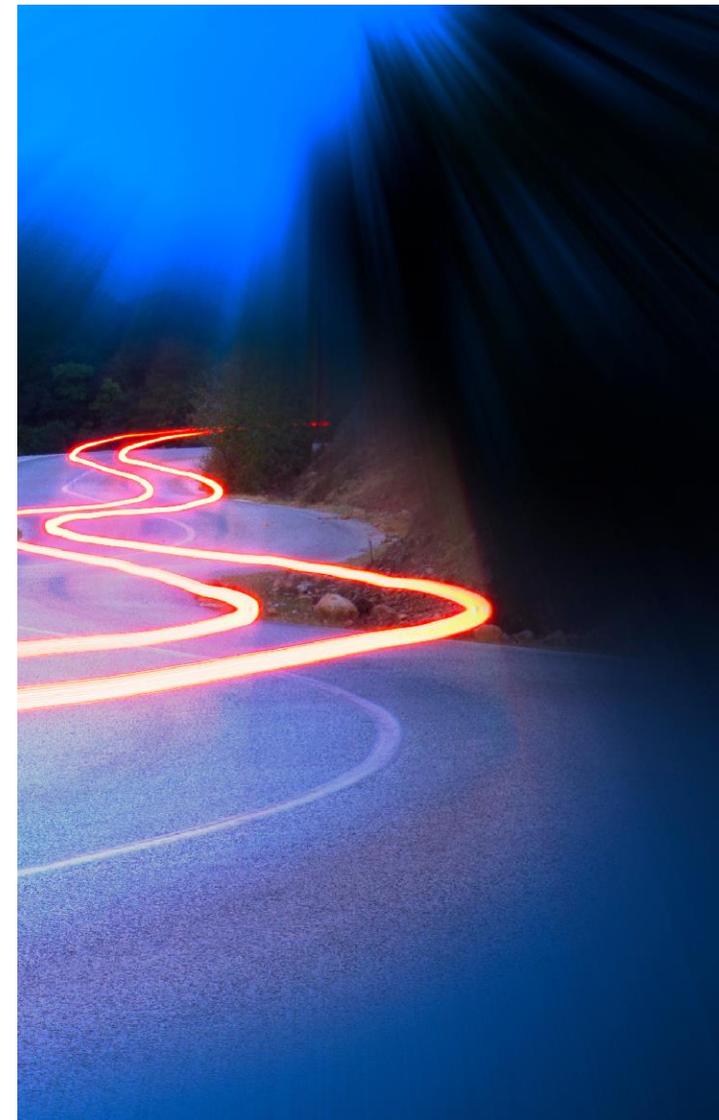
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Questions & Answers





**Renault
Group**

01

2023 H1 Highlights & Strategy

Luca de Meo

CEO Renault Group

Record operating margin & free cash flow

	Group Operating margin	Free cash flow
2023 H1 Guidance ⁽¹⁾	>7%	c. €1.5bn
	∨	∨
2023 H1 Achievements	7.6%	€1.8bn
	✓	✓

(1) Upgraded on June 29, 2023

Structurally profitable & cash generative



Cash fixed costs

-€2.5bn

vs 2019⁽¹⁾



Breakeven point

-50%

vs H1 2019



R&D Capex

-40%

on new vehicles since 2019



ROCE

+12pts

in 2023 H1 vs 2019

(1) 2022 FY vs 2019 FY – including RRG

The best line-up in 3 decades

22

launches
over 2022-2025



>50%

C segment & above



~50%

Battery Electric Vehicles



~90%

Electrified Vehicles



-40%

entry ticket per model
vs previous generation

Cars with boosted financials



+46%

in both
Average net revenue
per vehicle⁽¹⁾
&
Contribution margin
per vehicle⁽²⁾

(1) 2023 H1 vs. 2019 H1

(2) Contribution margin = margin on variable costs, 2023 H1 vs. 2019 H1

C'est possible !



#1
PASSENGER CARS
& LIGHT COMMERCIAL VEHICLES



#3
PASSENGER CARS



#1
SPORTS CAR

✓ Renault Group and ElectriCity sites
● Partners' sites

Non-exhaustive list of Renault Group sites in France

Renaulution all around the world



**Production
capacity**
rightsizing

-1.2m

units capacity
vs 2019



Profitability

**Key
geographies
back to
positive**

ESG for real



**Lifecycle vehicle
emissions**

-25%

CO₂ emissions
in 2022 vs 2010



**ReKnow
University**

16,000+

people already trained



**Employee
shareplan**

>40,000

subscribers



CAC 40 ESG

Coherent portfolio, strong brands

Repositioned

Newly created



Renault is back



From **5th**
to **2nd**
best-selling
brand in Europe⁽¹⁾

#1
in France⁽²⁾

(1) PC + LCV, Europe; 5th position as of 2022 H1, 2nd position as of 2023 H1
(2) Passenger Cars and Light Commercial Vehicles, as of 2023 H1

From “cheap” to smart



Top
10

brand
in Europe⁽¹⁾

#2

for retail
customers
in Europe⁽²⁾

Double-digit

operating margin
in 2023

15%

operating margin
target in 2030

(1) Dacia ranked #10, Passenger Cars + LCV, Europe, as of 2023 H1
(2) As of 2023 H1

Re-ignited: electric & global



7

models

100%

electric

Assets attractiveness⁽¹⁾

~\$900m

valuation for
Alpine Racing Ltd UK
(chassis entity only)

(1) Based on Otro Capital, RedBird Capital Partners and Maximum Effort Investments €200m investment for a 24% equity stake in Alpine Racing Ltd UK

A new brand for a new paradigm



MØBILIZE

A new breed
of a **captive**
financing
entity

Leasing
activities

1m vehicles
fleet by 2030

Full value chain
coverage

&
purpose-designed
vehicles

#1 in the automotive circular economy

THE FUTURE
IS NEUTRAL



>€2.3bn

turnover⁽¹⁾
target in 2030

>10%

operating margin
target in 2030

A leading supplier of ICE & hybrid powertrain technologies



Carve-out
effective on
July 1st, 2023

50/50
JV agreement⁽¹⁾
with **Geely**

Aramco
evaluating
a **strategic**
investment

The NextGen leader in BEV and software



Carve-out
in 2023 H2

**Best window
for an IPO**
most probably
in 2024 H1

Break-even
operating margin
target in 2025

~10%
operating margin
target in 2030

40%
Cost reduction
target⁽¹⁾

(1) On a car-by-car basis in next vehicles generation by 2027, excluding incremental benefits from mix and volume effects

The Alliance: Re-invented

Operational projects

**Hundreds of
millions euros
of value creation**
every year

Investment in Ampere

Up to
€600m

Nissan shares monetization

28.4%
available

The beat of the Renaulution

150
Renaulution
projects
in 1,000 days



**Renault
Group**

02

2023 H1 Financial Results

Thierry Piéton
CFO Renault Group

2023 H1 Group revenue

In million euros	2022 H1 ⁽¹⁾	2023 H1	Change
Global unit sales (Kunits)	1,001	1,134	+13.2%
Group revenue	21,089	26,849	+27.3%
o/w Automotive	19,574	24,850	+27.0%
o/w Mobility Services	17	21	+23.5%
o/w Sales Financing (Mobilize Financial Services)	1,498	1,978	+32.0%

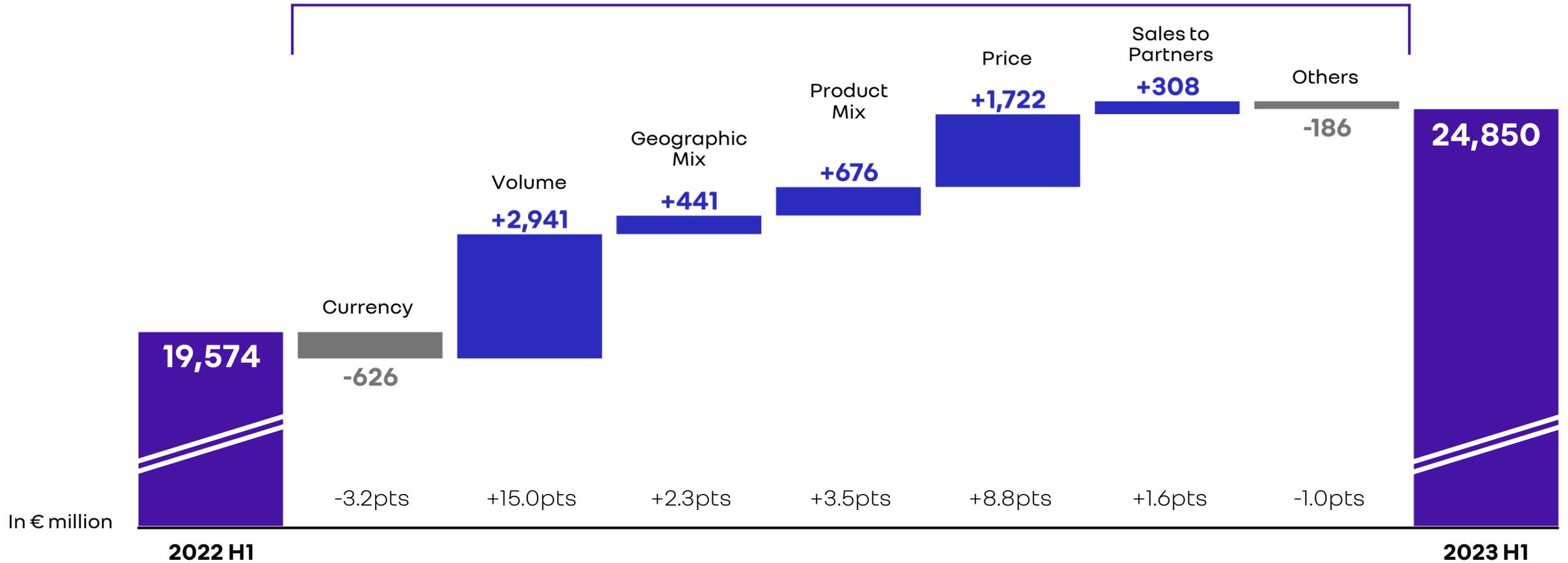
(1) After IFRS 17 restatement

Revenue for Automotive

+27.0%

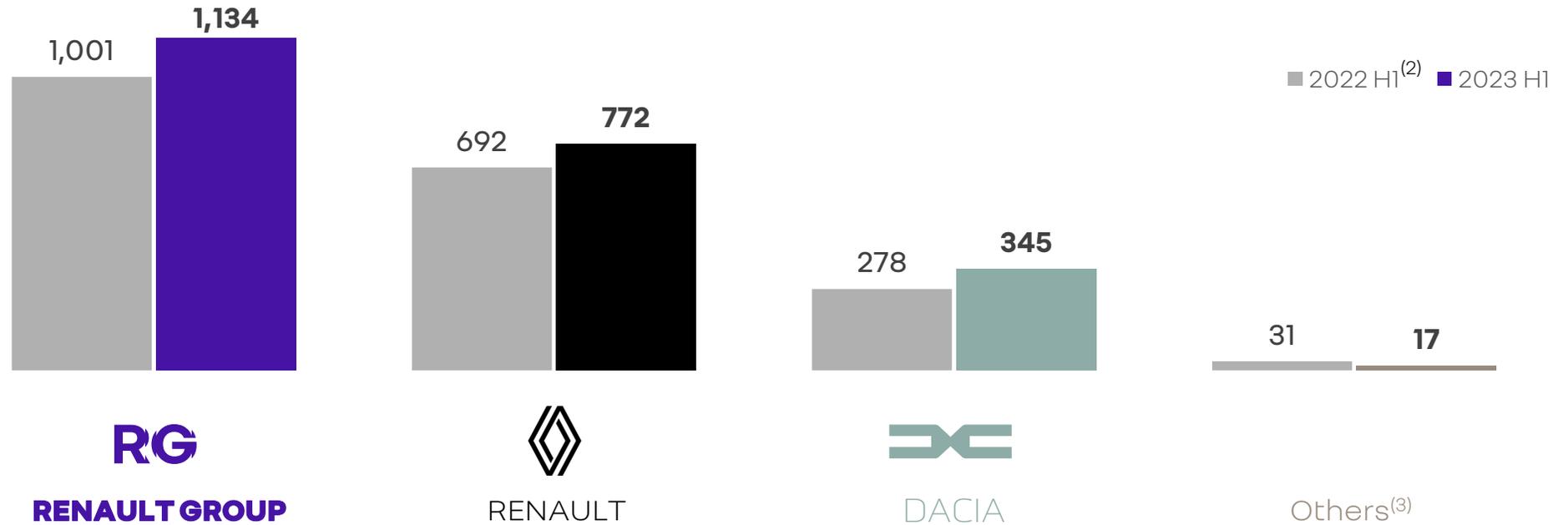
Change 2023 H1 vs. 2022 H1

+€5,276m



2023 H1 Renault Group sales

Sales evolution by brand⁽¹⁾



In %

Δ / 2022 H1	+13.2%	+11.6%	+24.2%	-48.2%
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(1) PC+LCV in thousand units

(2) 2022 volumes excluding Renault Russia and AVTOVAZ

(3) Others = Alpine, Renault Korea Motors, Eveasy, Mobilize, Jinbei & Huasong

Robust drivers to support the "value" strategy

C & above segment mix⁽¹⁾



+6pts to **42%**
vs 2022 H1 2023 H1

High trims

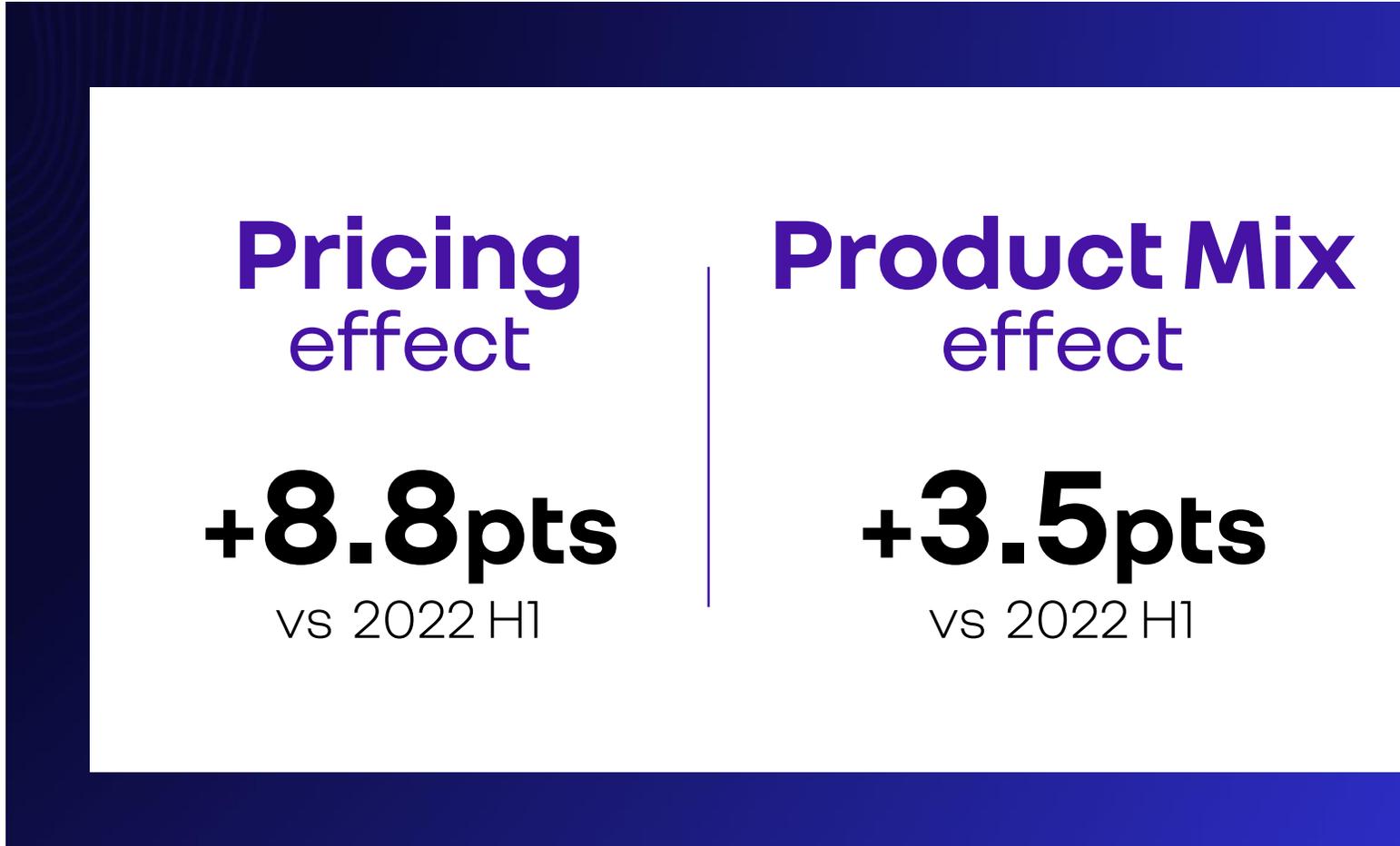
≥60%

on new launches⁽²⁾

Retail channel mix⁽³⁾

**Renault
Group**

65%
2023 H1



(1) Renault brand, passenger cars Europe

(2) Renault Megane Electric, Renault Austral, Dacia Jogger

(3) Renault Group, passenger cars in France, Germany, Italy, Spain and UK

Electrification
**Renault Megane
E-TECH 100% Electric**

#1 C-EV
in France in H1

Start of sales: June 2022

23,000
sales in H1

>50%
retail mix

70%
high trim versions

>80%
powertrain 60kWh / 220hp



Conquest C-segment
Renault Austral

Start of sales: November 2022

40,000
sales already in H1

65%
E-TECH Hybrid

60%
high trim versions



TECH
OpenR link & Google
Auto. Services

C-SUV
contribution margin

Dacia Brand reshape
EXTREME new high trim version

>45,000
EXTREME orders

DACIA

Materializing
**Dacia New Brand Identity
& Outdoor brand territory**

Conquest lever
In preparation for New Duster launch

RG

2023 H1: record operating margin

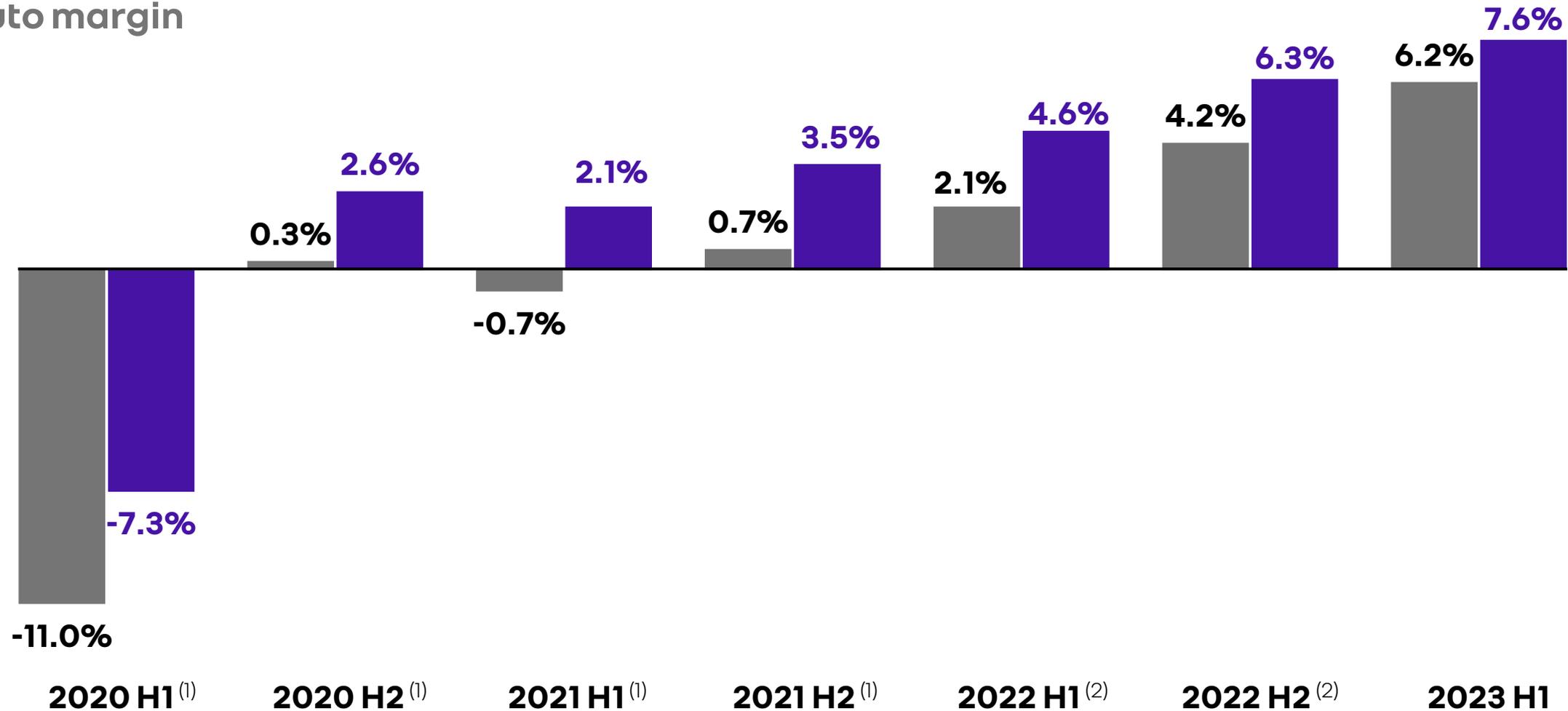
In million euros

	2022 H1 ⁽¹⁾	2023 H1	Change
Group operating margin % of Group revenue	972 4.6%	2,040 7.6%	+1,068 +3.0pts
o/w Automotive % of segment revenue	420 2.1%	1,541 6.2%	+1,121 +4.1pts
o/w Mobility Services	-14	-19	-5
o/w Sales Financing (Mobilize Financial Services)	566	518	-48

(1) After IFRS 17 restatement

Operating margin evolution: breaking records

Group margin
Auto margin



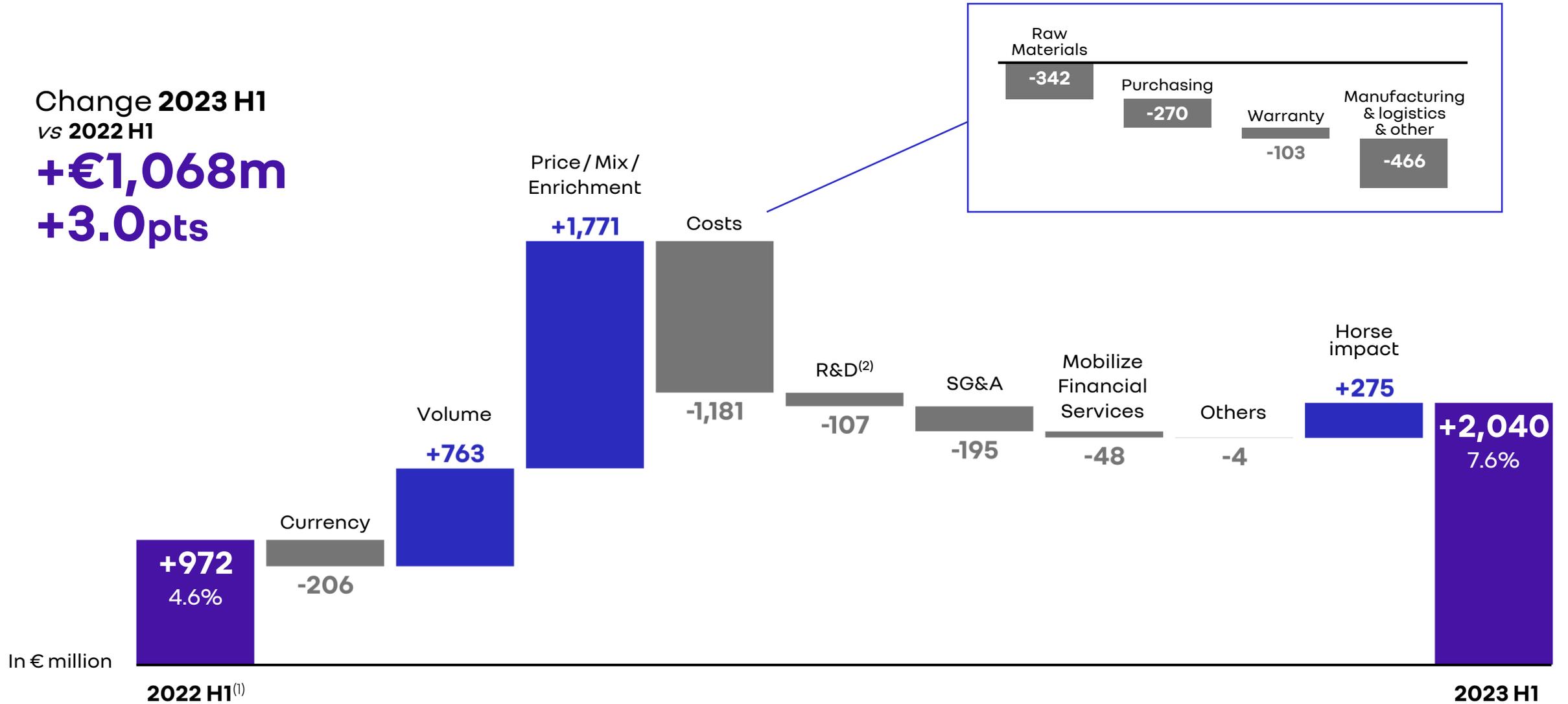
(1) Adjusted to reflect the exit from Russia

(2) After IFRS17 restatement

Group operating margin variance analysis

Change 2023 H1
vs 2022 H1

+€1,068m
+3.0pts



(1) After IFRS 17 restatement

Sales Financing: Mobilize Financial Services

	2022 H1 ⁽¹⁾	2023 H1	Change
New financings (€bn)⁽²⁾	8.8	10.4	+19.0%
Average performing assets (€bn)	43.7	49.9	+14.2%
Net banking income	4.59%	3.93%	-0.65pt
Cost of risk (customer & dealer)	-0.49%	-0.38%	+0.11pt
Operating expenses	-1.49%	-1.44%	+0.05pt
Pretax income	2.04%	1.97%	-0.07pt
Operating profit (€m)	566	518	-8.4%

(in percentage of average performing assets)

(1) After IFRS 17 restatement

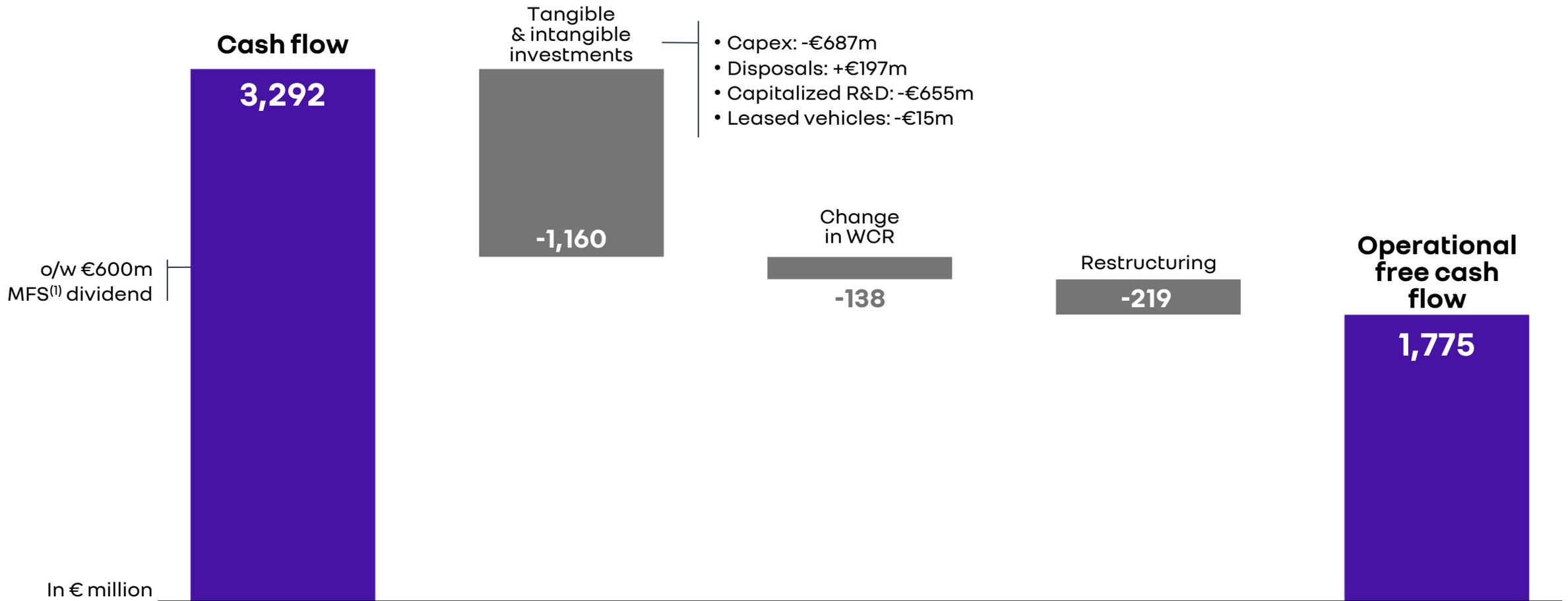
(2) Excluding equity affiliated companies (proforma on 2022 data)

Group consolidated income statement

In million euros	2022 H1 ⁽¹⁾	2023 H1	Change
Group revenue	21,089	26,849	+27.3%
Operating margin	972	2,040	+1,068
% of Group revenue	4.6%	7.6%	+3.0pts
Other operating income & expenses	-49	56	+105
EBIT	923	2,096	+1,173
Net financial income & expenses	-236	-260	-24
Associated companies	214	566	+352
Current & deferred taxes	-254	-278	-24
Net income	-1,676	2,124	+3,800
o/w continuing operations	647	2,124	+1,477
o/w discontinued operations	-2,323	-	+2,323
Net income, Group share	-1,367	2,093	+3,460

(1) After IFRS 17 restatement

2023 H1: record free cash flow generation

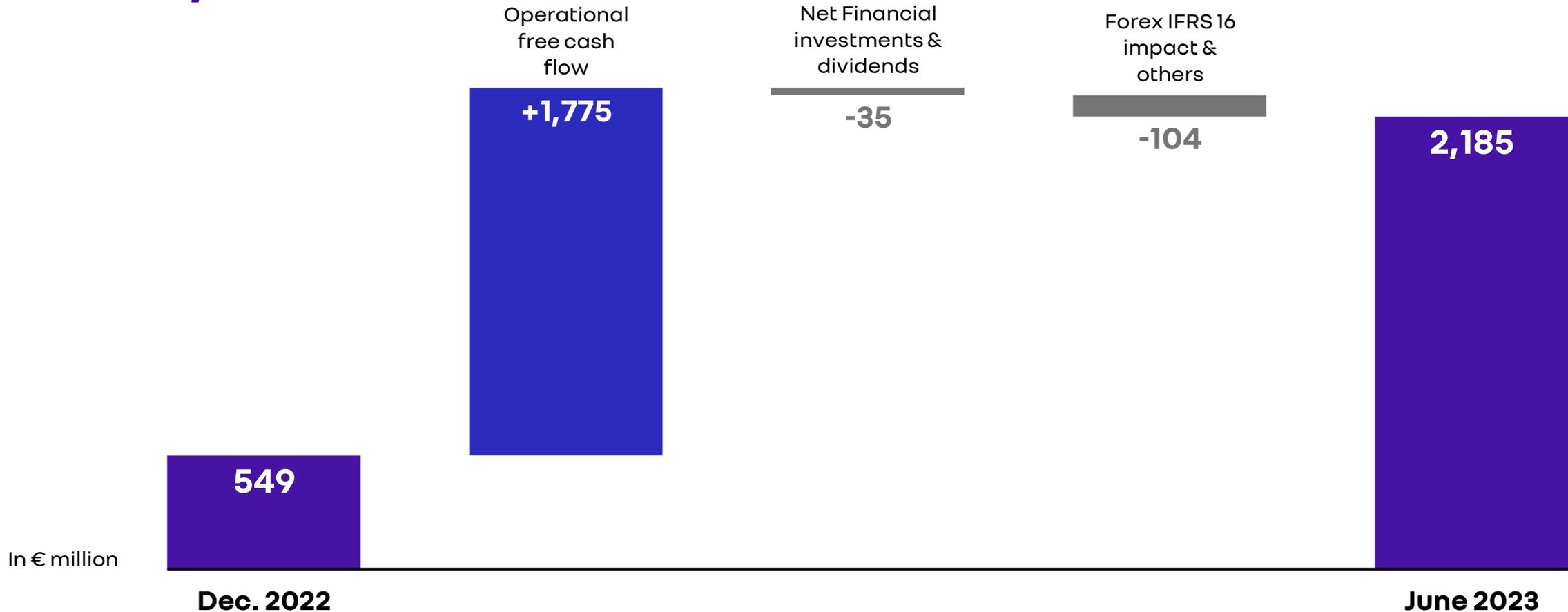


(1) MFS: Mobilize Financial Services

Automotive net financial position

Change June 2023 vs. Dec. 2022

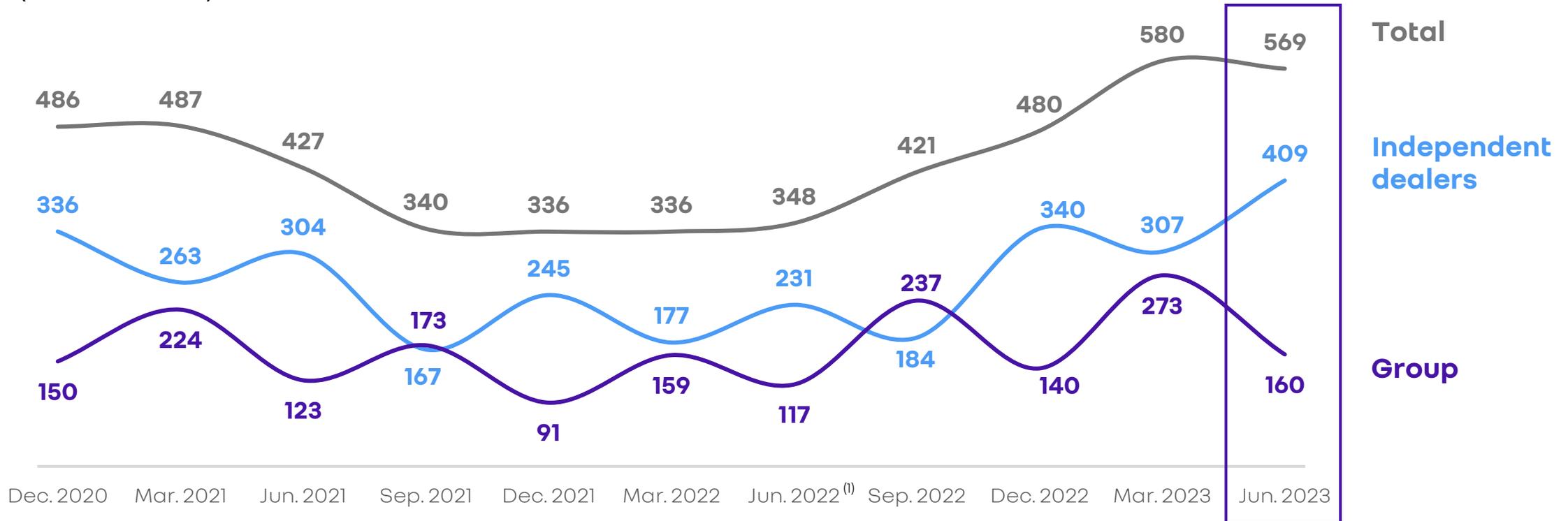
+€1,636m



In € million

New vehicles distribution inventories

(In thousand units)



3.4 months orderbook⁽²⁾

to remain beyond optimal level (>2 months) throughout 2023

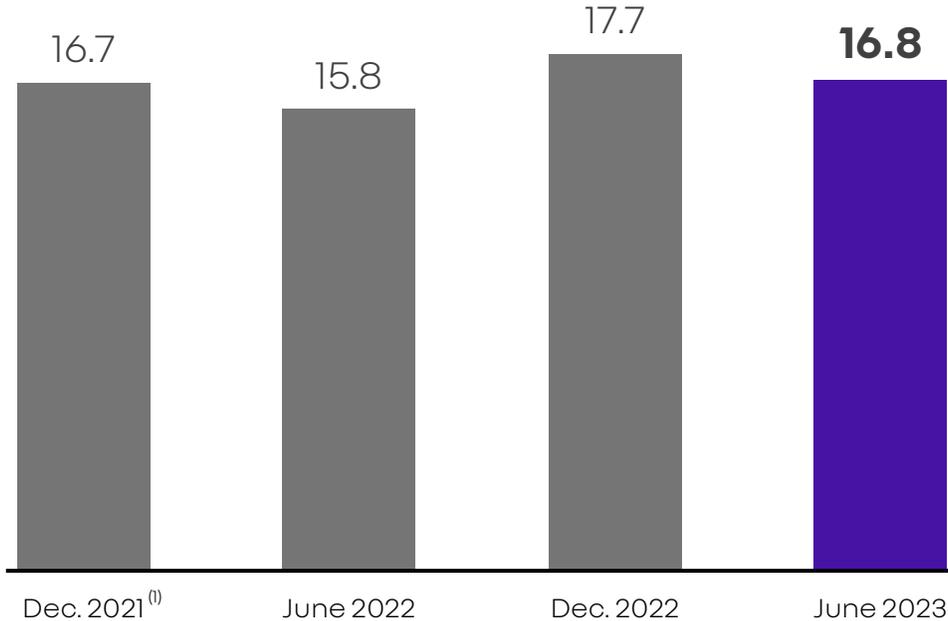
(1) Renault Russia activities excluded only since June 2022 Russian inventories represented ~15 Kunits on average

(2) In Europe, as of June 30, 2023

Debt and liquidity

Auto division liquidity reserves

(In € billions)



(1) Adjusted to reflect the exit from Russia

Credit ratings

year-on-year evolution

S&P Global	BB+/Stable from BB+/Negative	↗
Moody's	Ba2/Stable from Ba2/Negative	↗
R&I	A-/Stable from A-/Negative	↗
JCR	A-/Stable (unchanged)	→

Loan with French State guarantee "PGE"

- Fully reimbursed
- 2023 H1: **€1bn** annual repayment



**Renault
Group**

03 2023 Outlook

Thierry Piéton
CFO Renault Group

2023 financial outlook

Stronger, faster

Operating margin

7%-8%

Free cash flow

≥€2.5bn

Guidance upgraded in June 2023

Market trends

Europe →

Eurasia ↗

Latam →



**Renault
Group**

04

Questions & Answers

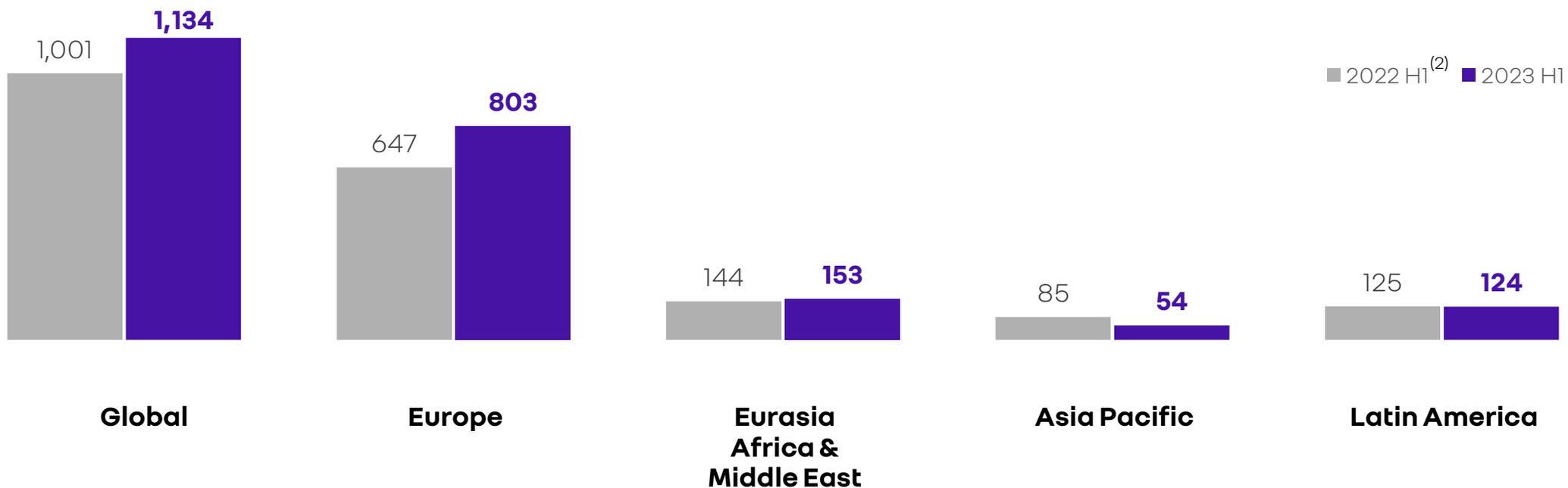


**Renault
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05 Annexes

2023 H1 Renault Group Sales

Market and sales evolution **by region**⁽¹⁾



In %

Δ / 2022 H1	Car Market	Europe	Eurasia Africa & Middle East	Asia Pacific	Latin America
		+16.7%	+12.0%	+7.5%	+7.8%
	Renault Group	+24.1%	+6.6%	-37.9%	-0.6%

(1) PC+LCV in thousand units

(2) 2022 volumes excluding Renault Russia and AVTOVAZ

Other income & expenses

In million euros	2022 H1	2023 H1	Change
Restructuring costs	-134	-188	-54
Impairment of PP&E⁽¹⁾, intangible assets and goodwill	-2	1	+3
Capital gain/loss on disposal of assets	56	227	+171
Others	31	16	-15
Total other operating income & expenses	-49	56	+105

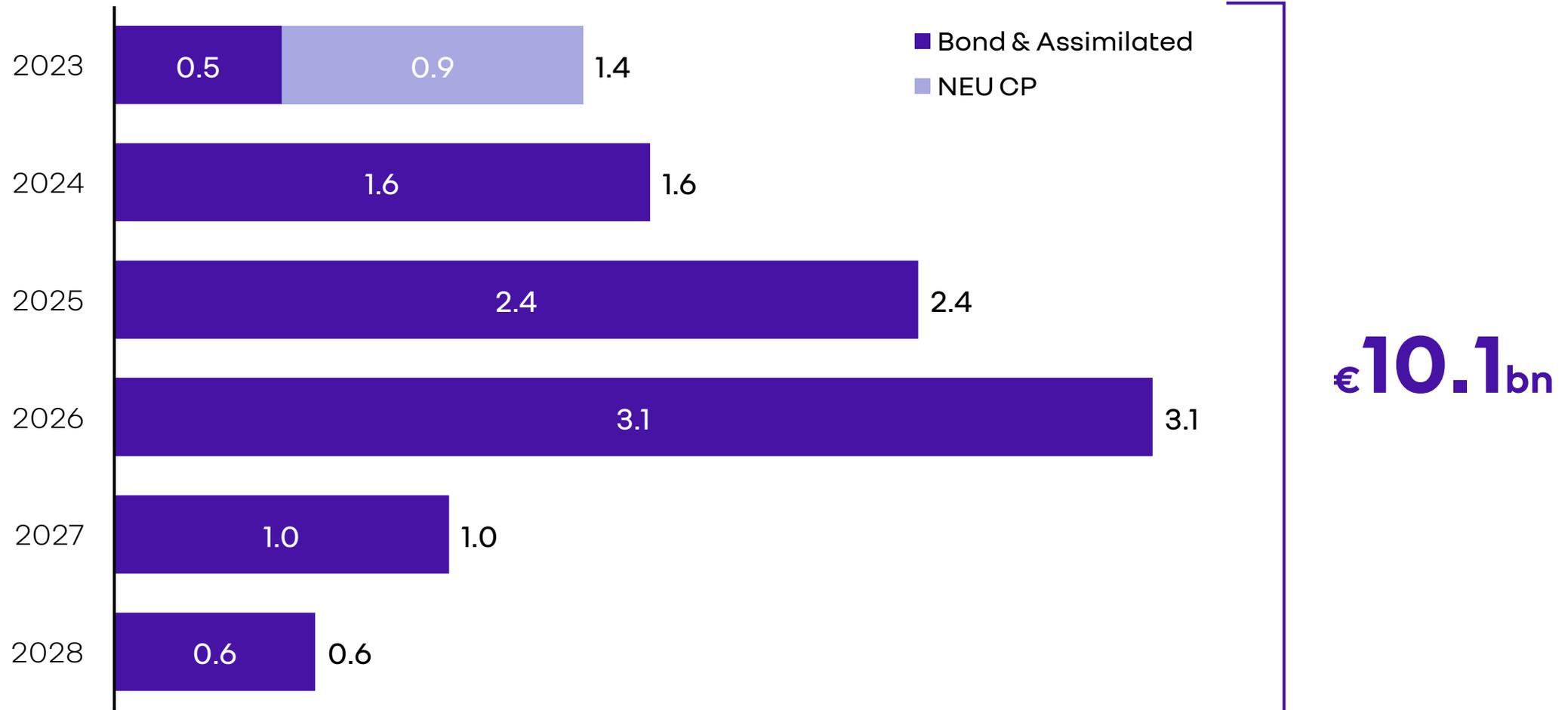
(1) Property, Plant and Equipment

Associated companies

In million euros	2022 H1	2023 H1	Change
Nissan	325	582	+257
Others	-111	-16	+95
Total associated companies	214	566	+352

Debt redemption schedule (Renault SA)

€bn – as of June 30, 2023



Disclaimer

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Renault Group

2023 H1 Financial Results

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