TotalEnergies

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST NINE MONTHS 2023

(unaudited)

1) Basis of preparation of the consolidated financial statements

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS as published by the International Accounting Standards Board (IASB).

The interim consolidated financial statements of TotalEnergies SE and its subsidiaries (the Company) as of September 30, 2023, are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

The accounting principles applied for the consolidated financial statements at September 30, 2023, are consistent with those used for the financial statements at December 31, 2022.

The preparation of financial statements in accordance with IFRS for the closing as of September 30, 2023 requires the General Management to make estimates, assumptions and judgments that affect the information reported in the Consolidated Financial Statements and the Notes thereto.

These estimates, assumptions and judgments are based on historical experience and other factors believed to be reasonable at the date of preparation of the financial statements. They are reviewed on an on-going basis by General Management and therefore could be revised as circumstances change or as a result of new information.

The main estimates, judgments and assumptions relate to the estimation of hydrocarbon reserves in application of the successful efforts method for the oil and gas activities, asset impairments, employee benefits, asset retirement obligations and income taxes. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2022.

The consolidated financial statements as of December 31, 2022 were impacted by the Russian-Ukrainian conflict. The Russian assets were fully depreciated, except for those relating to Yamal LNG. As of September 30, 2023, in the absence of any new event, assessments and judgments taken into account in the valuation of assets remain in place.

Different estimates, assumptions and judgments could significantly affect the information reported, and actual results may differ from the amounts included in the Consolidated Financial Statements and the Notes thereto.

Furthermore, when the accounting treatment of a specific transaction is not addressed by any accounting standard or interpretation, the General Management of the Company applies its judgment to define and apply accounting policies that provide information consistent with the general IFRS concepts: faithful representation, relevance and materiality.

2) Changes in the Company structure

2.1) Main acquisitions and divestments

- **Exploration & Production**

  - In March 2023, TotalEnergies has signed an agreement with CEPSA to acquire CEPSA's upstream assets in the United Arab Emirates. The assets to be acquired are:
    - a 20% participating interest in the Satah Al Razboot (SARB), Umm Lulu, Bin Nasher and Al Bateel (SARB and Umm Lulu) offshore concession.
      The SARB and Umm Lulu concession includes two major offshore fields. ADNOC holds a 60% interest in this concession, alongside OMV (20%). The concession is operated by ADNOC Offshore.
    - a 12.88% indirect interest in the Mubarraz concession held by Abu Dhabi Oil Company Ltd (ADOC), through the acquisition of 20% of Cosmo Abu Dhabi Energy Exploration & Production Co. Ltd (CEPAD), a company holding a 64.4% interest in ADOC.
      The Mubarraz concession is comprised of four producing offshore fields.

    The SARB and Umm Lulu transaction was completed on March 15, 2023. The Mubarraz transaction was not completed following Cosmo's decision to exercise its right of first refusal on the proposed transaction on April 21, 2023 in accordance with the terms of the agreements.

  - On September 28, 2023, TotalEnergies EP Angola Block 20 has finalized the sale to Petronas Angola E&P Ltd (PAEPL), a company belonging to the Petronas group of companies, of a 40% interest in Block 20 in the Kwanza Basin in Angola. The transaction was completed for an amount of $400 million, subject to customary price adjustments. TotalEnergies retains the operatorship and a 40% interest in Block 20, alongside PAEPL (40%) and Sonangol Pesquisa e Produção S.A. (20%).

- **Integrated LNG**

  - On June 12, 2022, following the request for proposals in relation to partner selection for the North Field East (NFE) liquified natural gas project, TotalEnergies has been awarded, a 25% interest in a new joint venture (JV), alongside the national company QatarEnergy (75%). The new JV will hold a 25% interest in the 32 million tons per annum (Mtpa) NFE project, equivalent to one 8 Mtpa LNG train. The acquisition of the interest in this project was finalized in January 2023.

- **Integrated Power**

  - On October 26, 2022, TotalEnergies and Casa dos Ventos (CDV), Brazil's leading renewable energy developer, announced the creation of a 34%(TTE)/66%(CDV) joint venture to jointly develop, build and operate the renewable portfolio of Casa Dos Ventos. This portfolio includes 700 MW of onshore wind capacity in operation, 1 GW of onshore wind under construction, 2.8 GW of onshore wind and 1.6 GW of solar projects under well advanced development (COD[1] within 5 years). Besides, the newly formed JV will have the right to acquire the current and new projects that are or will be developed by CDV as they reach execution stage. The transaction amounts to a payment of $0.5 billion and an earn-out of up to $30 million for the acquisition of a 34% stake in the JV. In addition, TotalEnergies will have the option to acquire an additional 15% equity share in 2027. The transaction was completed in January 2023.

  - On June 29, 2023, the Company exercised its option to buy back all the shares in Total Eren Holding and Total Eren, in which it held 33.86% and 5.73% respectively. Total Eren has 3.5 GW of assets in operation worldwide, and a diversified portfolio of solar, wind, hydro and storage projects of more than 10 GW in 30 countries, of which nearly 1.2 GW are under construction or at an advanced stage of development. On 24 July, 2023, TotalEnergies completed this acquisition for a net investment of €1,467 million.

[1] Commercial Operation Date

2.2) Major business combinations

- **Exploration & Production**

  - **Acquisition of participating interest in SARB and Umm Lulu offshore concession**

The preliminary purchase price allocation of $1,473 million has been done and is shown below:

(M$)	At the acquisition date
Intangible assets	590
Tangible assets	1,117
Other assets and liabilities	(234)
Fair value of consideration	**1,473**

- **Integrated Power**

  - **Acquisition of all the shares in Total Eren**

In accordance with IFRS 3, TotalEnergies is assessing the fair value of identifiable acquired assets, liabilities and contingent liabilities on the basis of available information. This assessment will be finalized within 12 months following the acquisition date.

2.3) Divestment projects

- **Exploration & Production**

  - On April 27, 2023, TotalEnergies announced the signature of an agreement with Suncor Energy Inc. for the sale of the entirety of the shares of TotalEnergies EP Canada Ltd for a consideration including a 5.5 billion Canadian dollar cash payment at closing (about US$4.1 billion) and additional payments that could reach a maximum of 600 million Canadian dollar (about US$450 million) under specific conditions. The transaction was subject to the waiver of TotalEnergies EP Canada Ltd's partners pre-emption rights and customary closing conditions, notably the required approval from public authorities.

On May 26, 2023, ConocoPhillips has notified TotalEnergies that it is exercising its preemption right to purchase the 50% interest in the Surmont asset held by TotalEnergies EP Canada Ltd.

On October 4, 2023, TotalEnergies EP Canada Ltd. has finalized the sale to ConocoPhillips of its 50% interest in the Surmont oil sands asset and associated midstream commitments. The transaction, for a base amount of $4.03 billion Canadian dollar (about US$3.0 billion) plus up to $440 million Canadian dollar (about US$330 million) in contingent payments. Including adjustments, TotalEnergies received a cash payment at closing of $3.7 billion Canadian dollar (about US$2.75 billion). At current WCS (Western Canadian Select) prices and production levels, TotalEnergies would receive the entirety of the contingent payments within a year.

On October 4, 2023, TotalEnergies has also signed an agreement to sell to Suncor the entirety of the shares of TotalEnergies EP Canada Ltd., comprising notably its participation in the Fort Hills oil sands asset and associated midstream commitments. The consideration for this transaction is $1.47 billion Canadian dollar (about US$1.1 billion).

As of September 30, 2023, the assets and liabilities of TotalEnergies EP Canada Ltd have been respectively classified in the consolidated balance sheet as "assets classified as held for sale" for an amount of $5,441 million and "liabilities classified as held for sale" for an amount of $927 million. These assets mainly include tangible assets.

- On August 4, 2023, TotalEnergies and its partner SOCAR (State Oil Company of the Republic of Azerbaijan) have signed an agreement to sell a 15% participating interest each in the Absheron gas field to ADNOC (Abu Dhabi National Oil Company). After completion of this transaction, which is subject to the approval by the relevant authorities, TotalEnergies will own a 35% interest in Absheron gas field, alongside SOCAR (35%) and ADNOC (30%).

  As of September 30, 2023, the assets and liabilities have been respectively classified in the consolidated balance sheet as “assets classified as held for sale” for an amount of $406 million and “liabilities classified as held for sale” for an amount of $14 million. These assets mainly include tangible assets.

➢ **Marketing & Services**

On March 16, 2023, TotalEnergies and Alimentation Couche-Tard have signed agreements covering TotalEnergies' retail networks in four European countries. As part of this agreement, TotalEnergies will join forces with Couche-Tard in Belgium and Luxembourg and transfer its networks in Germany and the Netherlands.

This planned transaction, which is based on an enterprise value of 3.1 billion euros, is subject to the usual conditions for completion, including the securing of the mandatory authorizations from competition authorities.

As of September 30, 2023, the assets and liabilities have been respectively classified in the consolidated balance sheet as “assets classified as held for sale” for an amount of $2,014 million and “liabilities classified as held for sale” for an amount of $1,266 million. These assets mainly include tangible assets.

3) Business segment information

Description of the business segments

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TotalEnergies and which is reviewed by the main operational decision-making body of the Company, namely the Executive Committee.

The operational profit and assets are broken down by business segment prior to the consolidation and inter-segment adjustments.

Sales prices between business segments approximate market prices.

The profitable growth in the LNG and power integrated value chains are two of the key axes of TotalEnergies’s strategy.

In order to give more visibility to these businesses, the Board of Directors has decided that from the first quarter 2023, Integrated LNG and Integrated Power results, previously grouped in the Integrated Gas, Renewables & Power (iGRP) segment, would be reported separately as two segments.

A new reporting structure for the business segments’ financial information has been put in place, effective January 1, 2023. It is based on the following five business segments:

- An Exploration-Production segment;
- An Integrated LNG segment covering LNG production and trading activities as well as biogas, hydrogen and gas trading activities;
- An Integrated Power segment covering generation, storage, electricity trading and B2B-B2C distribution of gas and electricity;
- A Refining & Chemicals segment constituting a major industrial hub comprising the activities of refining, petrochemicals and specialty chemicals. This segment also includes the activities of oil Supply, Trading and marine Shipping;
- A Marketing & Services segment including the global activities of supply and marketing in the field of petroleum products;

In addition the Corporate segment includes holdings operating and financial activities.

This new segment reporting has been prepared in accordance with IFRS 8 and according to the same principles as the internal reporting followed by the TotalEnergies's Executive Committee.

For the Integrated LNG and Integrated Power segments, the principles for the preparation of this segment information are as follows:

- The management of balance sheet positions (including margin calls) related to to centralized markets access for LNG, gas and power activities since 2022 has been fully included in the Integrated LNG segment.

- Effects of changes in the fair value of gas and LNG positions are allocated to the operating income of Integrated LNG segment.

- Effects of changes in the fair value of power positions are allocated to the operating income of Integrated Power segment.

Due to the change in the Company's internal organizational structure affecting the composition of the business segments, the segment reporting data for the years 2021 and 2022 has been restated.

Definition of the indicators

Adjusted Net Operating Income

TotalEnergies measures performance at the segment level on the basis of adjusted net operating income. Adjusted net operating income comprises operating income of the relevant segment after deducting the amortization and the depreciation of intangible assets other than mineral interest, translation adjustments and gains or losses on the sale of assets, as well as all other income and expenses related to capital employed (dividends from nonconsolidated companies, income from equity affiliates and capitalized interest expenses) and after income taxes applicable to the above, excluding the effect of the adjustments describe below.
The income and expenses not included in net operating income adjusted that are included in net income TotalEnergies share are interest expenses related to net financial debt, after applicable income taxes (net cost of net debt), non-controlling interests, and the adjusted items.

Adjustment items include:

a) Special items

Due to their unusual nature or particular significance, certain transactions qualifying as "special items" are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or assets disposals, which are not considered to be representative of the normal course of business, may qualify as special items although they may have occurred in prior years or are likely to occur in following years.

b) The inventory valuation effect

In accordance with IAS 2, TotalEnergies values inventories of petroleum products in its financial statements according to the First-in, First-Out (FIFO) method and other inventories using the weighted-average cost method. Under the FIFO method, the cost of inventory is based on the historic cost of acquisition or manufacture rather than the current replacement cost. In volatile energy markets, this can have a significant distorting effect on the reported income. Accordingly, the adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments' performance and facilitate the comparability of the segments' performance with those of its main competitors.

In the replacement cost method, which approximates the Last-In, First-Out (LIFO) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end prices differential between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results under the FIFO and the replacement cost methods.

c) Effect of changes in fair value

The effect of changes in fair value presented as an adjustment item reflects for trading inventories and storage contracts, differences between internal measures of performance used by TotalEnergies' Executive Committee and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

TotalEnergies, in its trading activities, enters into storage contracts, whose future effects are recorded at fair value in TotalEnergies' internal economic performance. IFRS precludes recognition of this fair value effect.

Furthermore, TotalEnergies enters into derivative instruments to risk manage certain operational contracts or assets. Under IFRS, these derivatives are recorded at fair value while the underlying operational transactions are recorded as they occur. Internal indicators defer the fair value on derivatives to match with the transaction occurrence.

3.1) Information by business segment

9 months 2023 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
External sales	4,939	9,036	19,987	76,831	67,083	15	-	177,891
Intersegment sales	31,965	11,138	2,850	27,785	474	180	(74,392)	-
Excise taxes	-	-	-	(625)	(13,086)	-	-	(13,711)
Revenues from sales	**36,904**	**20,174**	**22,837**	**103,991**	**54,471**	**195**	**(74,392)**	**164,180**
Operating expenses	(15,271)	(16,280)	(20,976)	(98,532)	(52,208)	(668)	74,392	(129,543)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,159)	(848)	(184)	(1,291)	(669)	(72)	-	(9,223)
Net income (loss) from equity affiliates and other items	63	1,634	(328)	116	291	43	-	1,819
Tax on net operating income	(7,724)	(593)	(238)	(1,014)	(528)	180	-	(9,917)
Adjustment [(a)]	(327)	(657)	(215)	(751)	205	(77)	-	(1,822)
Adjusted net operating income	**8,140**	**4,744**	**1,326**	**4,021**	**1,152**	**(245)**	**-**	**19,138**
Adjustment [(a)]								(1,822)
Net cost of net debt								(843)
Non-controlling interests								(152)
Net income - TotalEnergies share								**16,321**

[(a)] Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

9 months 2023 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	9,298	2,555	4,256	1,138	685	93	-	18,025
Total divestments	756	262	629	174	378	4	-	2,203
Cash flow from operating activities	12,823	5,740	2,935	3,132	198	(299)	-	24,529

9 months 2022 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
External sales	7,342	16,672	17,398	94,968	76,024	13	-	212,417
Intersegment sales	42,324	11,292	1,546	34,127	1,159	185	(90,633)	-
Excise taxes	-	-	-	(538)	(12,522)	-	-	(13,060)
Revenues from sales	**49,666**	**27,964**	**18,944**	**128,557**	**64,661**	**198**	**(90,633)**	**199,357**
Operating expenses	(18,348)	(21,621)	(19,381)	(119,790)	(61,807)	(1,063)	90,633	(151,377)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,772)	(803)	(140)	(1,140)	(757)	(104)	-	(9,716)
Net income (loss) from equity affiliates and other items	(6,069)	(172)	1,685	724	42	175	-	(3,615)
Tax on net operating income	(12,810)	(1,305)	(26)	(1,646)	(674)	259	-	(16,202)
Adjustment [(a)]	(8,284)	(4,698)	588	890	249	(297)	-	(11,552)
Adjusted operating income	**13,951**	**8,761**	**494**	**5,815**	**1,216**	**(238)**	**-**	**29,999**
Adjustment [(a)]								(11,552)
Net cost of net debt								(844)
Non-controlling interests								(341)
Net income - TotalEnergies share								**17,262**

[(a)] Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

9 months 2022 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	8,168	939	4,586	803	679	55	-	15,230
Total divestments	592	1,982	940	89	180	12	-	3,795
Cash flow from operating activities	23,619	9,470	(795)	8,431	2,417	(1,393)	-	41,749

3rd quarter 2023 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
External sales	1,551	2,144	5,183	27,127	23,012	-	-	59,017
Intersegment sales	11,129	2,361	495	10,094	153	59	(24,291)	-
Excise taxes	-	-	-	(210)	(4,394)	-	-	(4,604)
Revenues from sales	**12,680**	**4,505**	**5,678**	**37,011**	**18,771**	**59**	**(24,291)**	**54,413**
Operating expenses	(5,347)	(3,038)	(4,811)	(34,598)	(17,749)	(231)	24,291	(41,483)
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,976)	(283)	(86)	(483)	(204)	(23)	-	(3,055)
Net income (loss) from equity affiliates and other items	10	358	(8)	61	(16)	81	-	486
Tax on net operating income	(2,437)	(251)	(86)	(502)	(247)	157	-	(3,366)
Adjustment [(a)]	(208)	(51)	181	90	132	(37)	-	107
Adjusted net operating income	**3,138**	**1,342**	**506**	**1,399**	**423**	**80**	**-**	**6,888**
Adjustment [(a)]								107
Net cost of net debt								(305)
Non-controlling interests								(14)
Net income - TotalEnergies share								**6,676**

[(a)] *Adjustments include special items, inventory valuation effect and the effect of changes in fair value.*

3rd quarter 2023 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	2,677	734	2,215	424	270	28	-	6,348
Total divestments	699	168	331	114	49	-	-	1,361
Cash flow from operating activities	4,240	872	1,936	2,060	206	182	-	9,496

3rd quarter 2022 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
External sales	2,670	7,264	4,231	28,899	25,968	5	-	69,037
Intersegment sales	14,701	3,854	537	12,065	176	52	(31,385)	-
Excise taxes	-	-	-	(160)	(3,915)	-	-	(4,075)
Revenues from sales	**17,371**	**11,118**	**4,768**	**40,804**	**22,229**	**57**	**(31,385)**	**64,962**
Operating expenses	(6,880)	(8,591)	(4,695)	(39,137)	(21,513)	(213)	31,385	(49,644)
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,999)	(249)	(46)	(371)	(243)	(27)	-	(2,935)
Net income (loss) from equity affiliates and other items	(2,643)	1,697	1,493	219	(14)	(4)	-	748
Tax on net operating income	(5,071)	(752)	(25)	(255)	(153)	162	-	(6,094)
Adjustment [(a)]	(3,439)	(190)	1,259	(675)	(172)	(59)	-	(3,276)
Adjusted net operating income	**4,217**	**3,413**	**236**	**1,935**	**478**	**34**	**-**	**10,313**
Adjustment [(a)]								(3,276)
Net cost of net debt								(289)
Non-controlling interests								(122)
Net income - TotalEnergies share								**6,626**

[(a)] *Adjustments include special items, inventory valuation effect and the effect of changes in fair value.*

3rd quarter 2022 (M$)	Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	2,069	364	2,850	242	251	21	-	5,797
Total divestments	246	745	696	6	29	-	-	1,722
Cash flow from operating activities	9,083	3,449	941	3,798	939	(362)	-	17,848

3.2) Adjustment items

The detail of the adjustment items is presented in the table below.

ADJUSTMENTS TO NET OPERATING INCOME

(M$)		Exploration & Production	Integrated LNG	Integrated Power	Refining & Chemicals	Marketing & Services	Corporate	Total
3rd quarter 2023	Inventory valuation effect	-	-	-	466	157	-	623
	Effect of changes in fair value	-	44	321	-	-	-	365
	Restructuring charges	-	-	-	-	-	-	-
	Asset impairment and provisions charges	-	-	(427)	(271)	-	-	(698)
	Gains (losses) on disposals of assets	-	-	-	-	-	-	-
	Other items	(208)	(95)	287	(105)	(25)	(37)	(183)
Total		**(208)**	**(51)**	**181**	**90**	**132**	**(37)**	**107**
3rd quarter 2022	Inventory valuation effect	-	-	-	(675)	(172)	-	(847)
	Effect of changes in fair value	-	(76)	(148)	-	-	-	(224)
	Restructuring charges	-	-	(19)	-	-	-	(19)
	Asset impairment and provisions charges	(2,969)	(128)	(21)	-	-	-	(3,118)
	Gains (losses) on disposals of assets	-	-	1,450	-	-	-	1,450
	Other items	(470)	14	(3)	-	-	(59)	(518)
Total		**(3,439)**	**(190)**	**1,259**	**(675)**	**(172)**	**(59)**	**(3,276)**
9 months 2023	Inventory valuation effect	-	-	-	(193)	48	-	(145)
	Effect of changes in fair value	-	(573)	393	-	-	-	(180)
	Restructuring charges	-	-	(5)	-	-	-	(5)
	Asset impairment and provisions charges	(123)	-	(773)	(331)	-	-	(1,227)
	Gains (losses) on disposals of assets	-	-	-	-	203	-	203
	Other items	(204)	(84)	170	(227)	(46)	(77)	(468)
Total		**(327)**	**(657)**	**(215)**	**(751)**	**205**	**(77)**	**(1,822)**
9 months 2022	Inventory valuation effect	-	-	-	922	331	-	1,253
	Effect of changes in fair value	-	(58)	(797)	-	-	-	(855)
	Restructuring charges	-	-	(41)	-	-	-	(41)
	Asset impairment and provisions charges	(7,494)	(4,302)	(21)	-	(72)	(9)	(11,898)
	Gains (losses) on disposals of assets	-	-	1,450	-	-	-	1,450
	Other items	(790)	(338)	(3)	(32)	(10)	(288)	(1,461)
Total		**(8,284)**	**(4,698)**	**588**	**890**	**249**	**(297)**	**(11,552)**

4) Shareholders' equity

Treasury shares (TotalEnergies shares held directly by TotalEnergies SE)

	December 31, 2022	September 30, 2023
Number of treasury shares	**137,187,667**	**16,354,419**
Percentage of share capital	5.24%	0.68%
Of which shares acquired with the intention to cancel them	*128,869,261*	*12,895,226*
Of which shares allocated to TotalEnergies share performance plans for Company employees	*8,231,365*	*3,361,143*
Of which shares intended to be allocated to new share performance or purchase options plans	*87,041*	*98,050*

At its meeting on February 7, 2023, the Board of Directors decided, following the authorization of the Extraordinary Shareholder's Meeting on May 25, 2022, to cancel the 128,869,261 treasury shares bought back during 2022.

Moreover, at its meeting on September 21, 2023, the Board of Directors decided, following the authorization of the Extraordinary Shareholder's Meeting on May 25, 2022, to cancel 86,012,344 treasury shares bought back since the beginning of 2023.

Dividend

The Board of Directors, during its April 26, 2023 meeting, set the first interim dividend for the fiscal year 2023 at €0.74 per share. The ex-dividend date of this intermin dividend was September 20, 2023 and was paid in cash on October 2, 2023.

Moreover, the Board of Directors, during its July 26, 2023 meeting, set the second interim dividend for the fiscal year 2023 at €0.74 per share, i.e an amount equal to the aforementioned first interim dividend. The ex-dividend date of this intermin dividend will be January 2, 2024 and it will be paid in cash on January 12, 2024.

Furthermore, the Board of Directors of October 25, 2023 decided to set the amount of the third interim dividend for the 2023 fiscal year at €0.74 per share, i.e an amount equal to the first and second interim dividends for the same fiscal year. The ex-dividend date of the third interim dividend will be March 20, 2024 and it will be paid in cash on April 3, 2024.

Dividend 2023	**First interim**	**Second interim**	**Third interim**
Amount	€0.74	€0.74	€0.74
Set date	April 26, 2023	July 26, 2023	October 25, 2023
Ex-dividend date	September 20, 2023	January 2, 2024	March 20, 2024
Payment date	October 2, 2023	January 12, 2024	April 3, 2024

Earnings per share in Euro

Earnings per share in Euro, calculated from the earnings per share in U.S. dollars converted at the average Euro/USD exchange rate for the period, amounted to €2.51 per share for the 3rd quarter 2023 (€1.51 per share for the 2nd quarter 2023 and €2.52 per share for the 3rd quarter 2022). Diluted earnings per share calculated using the same method amounted to €2.49 per share for the 3rd quarter 2023 (€1.51 per share for the 2nd quarter 2023 and €2.50 per share for the 3rd quarter 2022).

Earnings per share are calculated after remuneration of perpetual subordinated notes.

Perpetual subordinated notes

TotalEnergies SE has not issued any perpetual subordinated notes during the first nine months of 2023.

TotalEnergies SE fully reimbursed the nominal amount of €1,000 million of its perpetual subordinated notes 2.708% issued in October 2016, on their first call date, on May 5th, 2023.

Other comprehensive income

Detail of other comprehensive income is presented in the table below:

(M$)	9 months 2023	9 months 2022
Actuarial gains and losses	137	187
Change in fair value of investments in equity instruments	6	114
Tax effect	(53)	(40)
Currency translation adjustment generated by the parent company	(452)	(11,776)
Sub-total items not potentially reclassifiable to profit and loss	**(362)**	**(11,515)**
Currency translation adjustment	**(95)**	**5,406**
- unrealized gain/(loss) of the period	(182)	5,499
- less gain/(loss) included in net income	(87)	93
Cash flow hedge	**2,197**	**4,217**
- unrealized gain/(loss) of the period	2,139	4,801
- less gain/(loss) included in net income	(58)	584
Variation of foreign currency basis spread	**5**	**79**
- unrealized gain/(loss) of the period	(16)	49
- less gain/(loss) included in net income	(21)	(30)
Share of other comprehensive income of equity affiliates, net amount	**(64)**	**2,655**
- unrealized gain/(loss) of the period	(47)	2,609
- less gain/(loss) included in net income	17	(46)
Other	**(5)**	**(19)**
Tax effect	**(518)**	**(1,483)**
Sub-total items potentially reclassifiable to profit and loss	**1,520**	**10,855**
Total other comprehensive income (net amount)	**1,158**	**(660)**

Tax effects relating to each component of other comprehensive income are as follows:

(M$)	9 months 2023			9 months 2022		
	Pre-tax amount	**Tax effect**	**Net amount**	**Pre-tax amount**	**Tax effect**	**Net amount**
Actuarial gains and losses	137	(52)	85	187	(49)	138
Change in fair value of investments in equity instruments	6	(1)	5	114	9	123
Currency translation adjustment generated by the parent company	(452)	-	(452)	(11,776)	-	(11,776)
Sub-total items not potentially reclassifiable to profit and loss	**(309)**	**(53)**	**(362)**	**(11,475)**	**(40)**	**(11,515)**
Currency translation adjustment	(95)	-	(95)	5,406	-	5,406
Cash flow hedge	2,197	(517)	1,680	4,217	(1,463)	2,754
Variation of foreign currency basis spread	5	(1)	4	79	(20)	59
Share of other comprehensive income of equity affiliates, net amount	(64)	-	(64)	2,655	-	2,655
Other	(5)	-	(5)	(19)	-	(19)
Sub-total items potentially reclassifiable to profit and loss	**2,038**	**(518)**	**1,520**	**12,338**	**(1,483)**	**10,855**
Total other comprehensive income	**1,729**	**(571)**	**1,158**	**863**	**(1,523)**	**(660)**

5) Financial debt

The Company has not issued any new senior bond during the first nine months of 2023.

The Company reimbursed four senior bonds during the first nine months of 2023:

- Bond 2.700% issued by TotalEnergies Capital International in 2012 and maturing in January 2023 ($1,000 million);
- Bond 2.125% issued by TotalEnergies Capital International in 2012 (€500 million) and tapped in 2013 (€250 million) forming a single series (€750 million) and maturing in March 2023;
- Bond 0.250% issued by TotalEnergies Capital International in 2016 and maturing in July 2023 (€1,250 million);
- Bond 2.750% issued by TotalEnergies Capital Canada in 2013 and maturing in July 2023 ($1,000 million).

In addition, the $8 billion credit line, put in place in March 2022, has not been extended and therefore ended in March 2023.

6) Related parties

The related parties are mainly equity affiliates and non-consolidated investments.

There were no major changes concerning transactions with related parties during the first nine months of 2023.

7) Other risks and contingent liabilities

TotalEnergies is not currently aware of any exceptional event, dispute, risks or contingent liabilities that could have a material impact on the assets and liabilities, results, financial position or operations of the TotalEnergies, other than those mentioned below.

Yemen

In Yemen, the deterioration of security conditions in the vicinity of the Balhaf site caused the company Yemen LNG, in which TotalEnergies holds a stake of 39.62%, to stop its commercial production and export of LNG and to declare force majeure to its various stakeholders in 2015. The plant has been put in preservation mode.

Mozambique

Considering the evolution of the security situation in the north of the Cabo Delgado province in Mozambique, TotalEnergies has confirmed on April 26, 2021, the withdrawal of all Mozambique LNG project personnel from the Afungi site. This situation led TotalEnergies, as operator of Mozambique LNG project, to declare force majeure.

Disputes relating to Climate

In France, the Corporation was summoned in January 2020 before Nanterre's Court of Justice by certain associations and local communities in order to oblige the Company to complete its Vigilance Plan, by identifying in detail risks relating to a global warming above 1.5 °C, as well as indicating the expected amount of future greenhouse gas emissions related to the Company's activities and its product utilization by third parties and in order to obtain an injunction ordering the Corporation to immediately cease exploration and exploitation of new oil or gas fields, to reduce its oil and gas production by 2030 and 2050, and to reduce its net direct and indirect CO2 emissions by 40% in 2040 compared with 2019. A new procedural law led to the transfer of these proceedings to the Paris judicial court in February 2022. This action was declared inadmissible on July 6, 2023, by the Paris judicial court and all the Claimants appealed this decision subsequently. TotalEnergies considers that it has fulfilled its obligations under the French law on the vigilance duty.

Several associations in France brought a civil action against TotalEnergies and TotalEnergies Gaz et Electricité France before the Paris judicial court, with the aim of proving that since May 2021 – after the change of name of TotalEnergies – the Company's corporate communication and its publicity campaign contain environmental claims that are either false or misleading for the consumer. TotalEnergies considers that these accusations are unfounded.

In France, on July 4, 2023, nine shareholders (two companies and 7 individuals holding a small number of the Corporation's shares) brought an action against the Corporation before the Nanterre Commercial Court, seeking the annulment of resolution no. 3 passed by the Corporation's Annual Shareholders' Meeting on May 26, 2023, recording the results for fiscal year 2022 and setting the amount of the dividend to be distributed for fiscal year 2022. The plaintiffs essentially allege an insufficient provision for impairment of the Company's assets in the financial statements for the fiscal year 2022, due to the insufficient consideration of future risks and costs related to the consequences of greenhouse gas emissions emitted by its customers (scope 3) and carbon cost assumptions presented as too low. The Corporation considers this action to be unfounded.

In the United States, US subsidiaries of TotalEnergies (TotalEnergies EP USA, Inc., Total Specialties USA, Inc. and TotalEnergies Marketing USA, Inc.) were summoned, amongst many companies and professional associations, in a number of "climate litigation" cases, seeking to establish legal liability for past greenhouse gas emissions, and to compensate plaintiff public authorities, in particular for adaptation costs. The Corporation was summoned, along with these subsidiaries, in two of these litigations. The Corporation and its subsidiaries consider that the courts lack jurisdiction, and have many arguments to put forward, and consider that the past and present behavior of the Corporation and its subsidiaries does not constitute a fault susceptible to give rise to liability.

8) <u>Subsequent events</u>

There are no post-balance sheet events except for the one mentioned in paragraph 2.3 relating to Canada that could have a material impact on the Company's financial statements.