UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 1, 2023**

NRG ENERGY, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**001-15891**	**41-1724239**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
910 Louisiana Street Houston Texas		**77002**
(Address of Principal Executive Offices)		(Zip Code)

(713) 537-3000
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common stock, par value $0.01	NRG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.01. Completion of Acquisition or Disposition of Assets.

On November 1, 2023, NRG Energy, Inc.'s ("NRG") wholly owned subsidiaries Texas Genco GP, LLC and Texas Genco LP, LLC (the "NRG Sellers") completed the previously announced sale of one hundred percent (100%) of the outstanding general and limited partnership interests in NRG South Texas, LP (the "Company") pursuant to the terms of an Equity Purchase Agreement dated May 31, 2023 (the "Purchase Agreement") entered into among the NRG Sellers and Constellation Energy Generation, LLC ("Constellation") a wholly owned subsidiary of Constellation Energy Corporation (the "Transaction").

Pursuant to the terms of the Purchase Agreement, the NRG Sellers sold to Constellation all of the outstanding partnership interests of NRG South Texas, LP for an aggregate base purchase price, payable in United States funds, of one billion and seven hundred fifty million dollars ($1,750,000,000).

The Company owns a forty four percent (44%) undivided interest in the nuclear powered generation facility known as the South Texas Project located in Matagorda County, Texas.

The foregoing description of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is subject to and qualified in its entirety by reference to the complete text of the Purchase Agreement, which was filed as Exhibit 2.1 to the Current Report on Form 8-K filed by NRG with the Securities and Exchange Commission on June 1, 2023, and the terms of which are incorporated herein by reference.

Item 7.01. Other Events.

On November 1, 2023, the Company issued a press release announcing the completion of the Transaction. A copy of the press release is attached as Exhibit 99.2 to this Current Report and is incorporated by reference into this Item 7.01.

The information provided in this Item 7.01 (including Exhibit 99.2) shall not deemed to be "filed" for the purposes of Section 18 of the Exchange Act, nor shall it be incorporated by reference in any filing made by the Company pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, regardless of any general incorporation language in any such filing, other than to the extent that such filing incorporates by reference any or all of such information by express reference thereto.

Item 9.01. Financial Statements and Exhibits.

(b) Pro Forma Financial Information.

The unaudited pro forma balance sheet of NRG as of June 30, 2023 and the unaudited pro forma combined statements of operations of NRG for the six months ended June 30, 2023 and 2022, and for the year ended December 31, 2022 giving effect to the Transaction, including such information required by Article 11 of Regulation S-X, is set forth in Exhibit 99.1 hereto and incorporated herein by reference.

(d) Exhibits

99.1	Unaudited Pro Forma Combined Financial Information of NRG as of and for the six months ended June 30, 2023, for the six months ended June 30, 2022, and for the year ended December 31, 2022
99.2	Press release dated November 1, 2023
104	Cover Page Interactive Date File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NRG Energy, Inc.
(Registrant)

By: /s/ Christine A. Zoino
Name: Christine A. Zoino
Title: Corporate Secretary

November 1, 2023

UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

On March 10, 2023 (the "Acquisition Closing Date"), NRG Energy, Inc. (“NRG” or the “Company”) completed the acquisition of Vivint Smart Home, Inc. (“Vivint”), pursuant to the agreement and plan of merger, dated as of December 6, 2022, by and among the Company, Vivint and Jetson Merger Sub, Inc., a wholly-owned subsidiary of the Company (“Merger Sub”), pursuant to which Merger Sub merged with and into Vivint, with Vivint surviving the merger as a wholly-owned subsidiary of the Company (the “Acquisition”).

On November 1, 2023, NRG’s wholly owned subsidiaries Texas Genco GP, LLC and Texas Genco LP, LLC (the “NRG Sellers”) completed the previously announced sale of one hundred percent (100%) of the outstanding general and limited partnership interests in NRG South Texas, LP pursuant to the terms of an Equity Purchase Agreement dated May 31, 2023 (the “Purchase Agreement”) entered into among the NRG Sellers and Constellation Energy Generation, LLC (“Constellation”) a wholly owned subsidiary of Constellation Energy Corporation. NRG South Texas, LP owns a forty four percent (44%) undivided interest in the nuclear powered generation facility known as the South Texas Project (“STP”) located in Matagorda County, Texas.

Pursuant to the terms of the Purchase Agreement, the NRG Sellers sold to Constellation all of the outstanding partnership interests of NRG South Texas, LP for an aggregate base purchase price of $1.75 billion which was reduced by preliminary working capital and other adjustments of $96 million, resulting in net proceeds of $1.654 billion (the “Disposition”).

The following unaudited pro forma financial information of NRG and Vivint is presented to illustrate the estimated effects of the Acquisition and related financing adjustments as described below. Additionally, the unaudited pro forma financial information gives effect to the Disposition.

The unaudited pro forma balance sheet as of June 30, 2023 presents the historical consolidated balance sheet of NRG, after giving effect to the Disposition, as if it had occurred on June 30, 2023. The unaudited pro forma balance sheet does not include transaction accounting adjustments for the Vivint acquisition and related financing transactions as they are already reflected in the historical balance sheet. The unaudited pro forma combined statements of operations for the six months ended June 30, 2022, and the year ended December 31, 2022 combine the historical consolidated statements of operations of NRG and the historical consolidated statements of operations of Vivint, after giving effect to the transaction accounting adjustments for the Acquisition and related financing adjustments and the Disposition, as if the transactions had occurred on January 1, 2022. The unaudited pro forma combined statement of operations for the six months ended June 30, 2023 combines the historical consolidated statement of operations of NRG and the historical results of Vivint for the pre-acquisition period in 2023, after giving effect to the transaction accounting adjustments for the Acquisition and related financing adjustments and the Disposition, as if the transactions had occurred on January 1, 2022. These unaudited pro forma balance sheet and unaudited pro forma combined statements of operations are referred to as the “pro forma financial information”.

The pro forma financial information should be read in conjunction with the accompanying explanatory notes. In addition, the pro forma financial information is derived from and should be read in conjunction with the following historical financial statements and the related notes of NRG and Vivint:

- audited consolidated financial statements of NRG as of and for the fiscal year ended December 31, 2022 and the related notes included in NRG’s Annual Report on Form 10-K for the year ended December 31, 2022 filed on February 23, 2023;

- unaudited condensed consolidated financial statements of NRG as of and for six months ended June 30, 2023 and 2022 and the related notes included in NRG’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023;

- audited consolidated financial statements of Vivint as of and for the fiscal year ended December 31, 2022 and the related notes included in Vivint’s Annual Report on Form 10-K for the year ended December 31, 2022 filed on February 24, 2023; and

- unaudited condensed consolidated financial statements of Vivint as of and for the six months ended June 30, 2022 and the related notes included in Vivint’s Form 10-Q for the quarterly period ended June 30, 2022.

The pro forma financial information has been prepared by NRG for illustrative and informational purposes only, in accordance with Regulation S-X Article 11, *Pro Forma Financial Information.* The pro forma financial information is based on the transaction accounting adjustments and assumptions and is not necessarily indicative of what NRG's consolidated statements of operations or consolidated balance sheet actually would have been had the transaction accounting adjustments been completed as of the dates indicated, or what they will be for any future periods. The pro forma financial information does not purport to project the future financial position or operating results of NRG. The pro forma financial information does not reflect any revenue enhancements, cost savings, operating synergies or restructuring costs that may be achievable or incurred prospectively in connection with the Acquisition or the Disposition.

For the Acquisition, the pro forma financial information has been prepared using the acquisition method of accounting under U.S. Generally Accepted Accounting Principles ("U.S. GAAP") with NRG being the accounting acquirer. The purchase price is allocated to the assets acquired and liabilities assumed based upon their estimated fair values as of the acquisition date, and any excess value of the total consideration over the net assets is recognized as goodwill. The Company has made a preliminary allocation of the purchase price to the assets acquired and liabilities assumed as of the acquisition date based on NRG's preliminary valuation of the tangible and intangible assets acquired and liabilities assumed using information currently available. Differences between these preliminary estimates and the final acquisition accounting may occur and these differences could have a material impact on the accompanying pro forma financial information.

The Disposition is considered a divestiture of a significant business under Item 2.01 of Form 8-K. As a result, the Company prepared the pro forma financial information based on historical financial information of the Company. NRG includes its proportionate share of STP's assets, liabilities, revenues and expenses in its consolidated financial statements.

In connection with the agreement and plan of merger, NRG entered into a commitment letter for a senior secured 364-day bridge term loan facility (the "Bridge Facility") in a principal amount not to exceed $2.1 billion for the purposes of financing the Acquisition, paying fees and expenses in connection with the Acquisition, and certain other third-party payments in respect of arrangements of Vivint. NRG was able to secure permanent financing and did not fund the Acquisition by using the Bridge Facility.

In February 2023, the Company increased its Revolving Credit Facility by $600 million to meet the additional liquidity requirements related to the Acquisition.

NRG paid $12 per share, or $2.6 billion, in cash. The Company funded the acquisition using:

- proceeds of $724 million from newly issued $740 million 7.000% Senior Secured First Lien Notes due 2033, net of issuance costs and discount;
- proceeds of $635 million from newly issued $650 million 10.25% Series A Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, net of issuance costs;
- proceeds of approximately $900 million drawn from its Revolving Credit Facility and Receivables Securitization Facilities; and
- cash on hand.

Total consideration of $2.623 billion includes the fair value of acquired Vivint equity awards attributable to pre-combination service.

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA BALANCE SHEET
AS OF JUNE 30, 2023

(In millions)	Historical NRG	Transaction accounting adjustments (Disposition) (Note 4)	Notes	Pro Forma
ASSETS				
Current Assets				
Cash and cash equivalents	$ 422	$ 1,634	4(a)	$ 2,056
Funds deposited by counterparties	365	—		365
Restricted cash	26	—		26
Accounts receivable, net	3,274	—		3,274
Inventory	686	—		686
Derivative instruments	4,423	—		4,423
Cash collateral paid in support of energy risk management activities	270	—		270
Prepayments and other current assets	580	—		580
Current assets - held-for-sale	75	(75)	4(b)	—
Total current assets	10,121	1,559		11,680
Property, plant and equipment, net	1,706	—		1,706
Other Assets				
Equity investments in affiliates	139	—		139
Operating lease right-of-use assets, net	221	—		221
Goodwill	5,143	—		5,143
Customer relationships, net	2,446	—		2,446
Other intangible assets, net	1,897	—		1,897
Derivative instruments	2,910	—		2,910
Deferred income taxes	2,711	—		2,711
Other non-current assets	536	—		536
Non-current assets - held-for-sale	1,161	(1,161)	4(b)	—
Total other assets	17,164	(1,161)		16,003
Total Assets	$ 28,991	$ 398		$ 29,389
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				
Current portion of long-term debt and finance leases	1,319	—		1,319
Current portion of operating lease liabilities	91	—		91
Accounts payable	2,107	—		2,107
Derivative instruments	3,832	—		3,832
Cash collateral received in support of energy risk management activities	365	—		365
Deferred revenue current	731	—		731
Accrued expenses and other current liabilities	1,395	—		1,395
Current liabilities - held-for-sale	36	(32)	4(b)	4
Total current liabilities	$ 9,876	$ (32)		$ 9,844

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA BALANCE SHEET
AS OF JUNE 30, 2023 (Continued)

(In millions)	Historical NRG	Transaction accounting adjustments (Disposition) (Note 4)	Notes	Pro Forma
Other Liabilities				
Long-term debt and finance leases	$ 10,737	$ —		$ 10,737
Non-current operating lease liabilities	165	—		165
Derivative instruments	1,889	—		1,889
Deferred income taxes	130	—		130
Deferred revenue non-current	927	—		927
Other non-current liabilities	988	—		988
Non-current liabilities - held-for-sale	947	(916)	4(b)	31
Total other liabilities	15,783	(916)		14,867
Total Liabilities	25,659	(948)		24,711
Stockholders' Equity				
Preferred stock	650	—		650
Common stock	4	—		4
Additional paid-in-capital	8,504	—		8,504
Retained earnings	205	1,284	4(c)	1,489
Treasury stock, at cost	(5,861)	—		(5,861)
Accumulated other comprehensive loss	(170)	62	4(b)	(108)
Total Stockholders' Equity	3,332	1,346		4,678
Total Liabilities and Stockholders' Equity	$ 28,991	$ 398		$ 29,389

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2023

(In millions, except for per share amounts)	Historical: NRG	Historical: Vivint (pre-acquisition period)	Transaction accounting adjustments (acquisition of Vivint) (Note 5): Acquisition accounting adjustments	Transaction accounting adjustments (acquisition of Vivint) (Note 5): Financing adjustments	Pro forma financial information (adjusted for Vivint acquisition)	Transaction accounting adjustments (Disposition) (Note 6)[(a)]	Notes	Pro forma results (combined)
Revenue								
Revenue	$ 14,070	$ 286	$ —	$ —	**$ 14,356**	$ —		**$ 14,356**
Operating Costs and Expenses								
Cost of operations (excluding depreciation and amortization shown below)	13,740	58	—	—	**13,798**	17	6(a)	**13,815**
Depreciation and amortization	505	97	(43)	—	**559**	(5)	5(a), 6(a)	**554**
Selling, general and administrative costs	948	151	(57)	—	**1,042**	(6)	5(b), 6(a)	**1,036**
Acquisition-related transaction and integration costs	93	—	(70)	—	**23**	—	5(d)	**23**
Total operating costs and expenses	15,286	306	(170)	—	**15,422**	6		**15,428**
Gain on sale of assets	202	—	—	—	**202**	—		**202**
Operating (Loss)/Income	(1,014)	(20)	170	—	**(864)**	(6)		**(870)**
Other Income/(Expense)								
Equity in earnings of unconsolidated affiliates	10	—	—	—	**10**	—		**10**
Other income/(expense), net	29	2	—	—	**31**	(1)	6(a)	**30**
Interest expense	(299)	(32)	(3)	9	**(325)**	—	5(e)	**(325)**
Total other expense	(260)	(30)	(3)	9	**(284)**	(1)		**(285)**
(Loss)/Income Before Income Taxes	(1,274)	(50)	167	9	**(1,148)**	(7)		**(1,155)**
Income tax (benefit)/expense	(247)	—	52	2	**(193)**	(2)	5(f), 6(b)	**(195)**
Net (Loss)/Income	$ (1,027)	$ (50)	$ 115	$ 7	**$ (955)**	$ (5)		**$ (960)**
Less: Cumulative dividends attributable to Series A Preferred Stock	21	—	—	13	**34**	—	5(g)	**34**
Net (Loss)/Income Available for Common Shareholders	$ (1,048)	$ (50)	$ 115	$ (6)	**$ (989)**	$ (5)		**$ (994)**
(Loss)/Income per Share								
Weighted average number of common shares outstanding — basic	230				**230**			**230**
Loss per weighted average common share — basic	$ (4.56)				**$ (4.30)**			**$ (4.32)**
Dilutive impact of assumed Vivint equity awards	—				**—**		5(h)(1)	
Weighted average number of common shares outstanding — diluted	230				**230**			**230**
Loss per weighted average common share — diluted	$ (4.56)				**$ (4.30)**			**$ (4.32)**

(a) Excludes the impact of the Company's hedges at the NRG portfolio level

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2022

(In millions, except for per share amounts)	Historical NRG	Historical Vivint (as reclassified) (Note 2)	Transaction accounting adjustments (acquisition of Vivint) (Note 5) Acquisition accounting adjustments	Transaction accounting adjustments (acquisition of Vivint) (Note 5) Financing adjustments	Pro forma financial information (adjusted for Vivint acquisition)	Transaction accounting adjustments (Disposition) (Note 6)[a]	Notes	Pro forma results (combined)
Revenue								
Revenue	$ 15,178	$ 800	$ —	$ —	**$ 15,978**	$ —		**$ 15,978**
Operating Costs and Expenses								
Cost of operations (excluding depreciation and amortization shown below)	10,817	196	—	—	**11,013**	163	6(a)	**11,176**
Depreciation and amortization	340	312	40	—	**692**	(4)	5(a), 6(a)	**688**
Impairment losses	155	—	—	—	**155**	—		**155**
Selling, general and administrative costs	698	280	57	—	**1,035**	(5)	5(b), 6(a)	**1,030**
Acquisition-related transaction and integration costs	18	—	87	—	**105**	—	5(d)	**105**
Total operating costs and expenses	12,028	788	184	—	**13,000**	154		**13,154**
Gain on sale of assets	29	—	—	—	**29**	—		**29**
Operating Income	3,179	12	(184)	—	**3,007**	(154)		**2,853**
Other Income/(Expense)								
Equity in losses of unconsolidated affiliates	(11)	—	—	—	**(11)**	—		**(11)**
Other income/(expense), net	12	32	(18)	—	**26**	(2)	5(c), 6(a)	**24**
Interest expense	(208)	(76)	(7)	(65)	**(356)**	—	5(e)	**(356)**
Total other expense	(207)	(44)	(25)	(65)	**(341)**	(2)		**(343)**
Income/(Loss) Before Income Taxes	2,972	(32)	(209)	(65)	**2,666**	(156)		**2,510**
Income tax expense/(benefit)	723	(1)	(58)	(16)	**648**	(37)	5(f), 6(b)	**611**
Net Income/(Loss)	$ 2,249	$ (31)	$ (151)	$ (49)	**$ 2,018**	$ (119)		**$ 1,899**
Less: Cumulative dividends attributable to Series A Preferred Stock	—	—	—	34	**34**	—	5(g)	**34**
Net Income/(Loss) Available for Common Shareholders	$ 2,249	$ (31)	$ (151)	$ (83)	**$ 1,984**	$ (119)		**$ 1,865**
Income per Share								
Weighted average number of common shares outstanding — basic	240				**240**			**240**
Income per weighted average common share — basic	$ 9.37				**$ 8.27**			**$ 7.77**
Dilutive impact of assumed Vivint equity awards	—		1		**1**		5(h)(2)	**1**
Weighted average number of common shares outstanding — diluted	240				**241**			**241**
Income per weighted average common share — diluted	$ 9.37				**$ 8.23**			**$ 7.74**

(a) Excludes the impact of the Company's hedges at the NRG portfolio level

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

(In millions, except for per share amounts)	Historical		Transaction accounting adjustments (acquisition of Vivint) (Note 5)		Pro forma financial information (adjusted for Vivint acquisition)	Transaction accounting adjustments (Disposition) (Note 6)[a]	Notes	Pro forma results (combined)
	NRG	Vivint (as reclassified) (Note 3)	Acquisition accounting adjustments	Financing adjustments				
Revenue								
Revenue	$ 31,543	$ 1,682	$ —	—	**$ 33,225**	—		**$ 33,225**
Operating Costs and Expenses								
Cost of operations (excluding depreciation and amortization shown below)	27,446	390			**27,836**	379	6(a)	**28,215**
Depreciation and amortization	634	622	58	—	**1,314**	(9)	5(a), 6(a)	**1,305**
Impairment losses	206	—	—	—	**206**	—		**206**
Selling, general and administrative costs	1,228	559	57	—	**1,844**	(11)	5(b), 6(a)	**1,833**
Provision for credit losses	11	40	—	—	**51**	—		**51**
Acquisition-related transaction and integration costs	52	—	70	—	**122**	—	5(d)	**122**
Total operating costs and expenses	29,577	1,611	185	—	**31,373**	359		**31,732**
Gain on sale of assets	52	—	—	—	**52**	—		**52**
Operating Income	2,018	71	(185)	—	**1,904**	(359)		**1,545**
Other Income/(Expense)								
Equity in earnings of unconsolidated affiliates	6	—	—	—	**6**	—		**6**
Other income/(expense), net	56	46	(21)	—	**81**	(2)	5(c), 6(a)	**79**
Interest expense	(417)	(167)	(15)	(119)	**(718)**	—	5(e)	**(718)**
Total other expense	(355)	(121)	(36)	(119)	**(631)**	(2)		**(633)**
Income/(Loss) Before Income Taxes	1,663	(50)	(221)	(119)	**1,273**	(361)		**912**
Income tax expense/(benefit)	442	2	(60)	(30)	**354**	(80)	5(f), 6(b)	**274**
Net Income/(Loss)	$ 1,221	$ (52)	$ (161)	$ (89)	**$ 919**	$ (281)		**$ 638**
Less: Cumulative dividends attributable to Series A Preferred Stock	—	—	—	67	**67**	—	5(g)	**67**
Net Income/(Loss) Available for Common Shareholders	$ 1,221	$ (52)	$ (161)	$ (156)	**$ 852**	$ (281)		**$ 571**
Income per Share								
Weighted average number of common shares outstanding — basic	236				**236**			**236**
Income per weighted average common share — basic	$ 5.17				**$ 3.61**			**$ 2.42**
Dilutive impact of assumed Vivint equity awards	—		1		**1**		5(h)(2)	**1**
Weighted average number of common shares outstanding — diluted	236				**236**			**237**
Income per weighted average common share — diluted	$ 5.17				**$ 3.61**			**$ 2.41**

(a) Excludes the impact of the Company's hedges at the NRG portfolio level

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

Note 1. Basis of Pro Forma Presentation

The pro forma financial information has been prepared using the acquisition method of accounting under U.S. GAAP, in accordance with Accounting Standards Codifications 805, "Business Combination" ("ASC 805"), and is derived from the audited historical financial statements of NRG and Vivint.

The unaudited pro forma balance sheet as of June 30, 2023 presents the historical consolidated balance sheet of NRG after giving effect to the Disposition, as if it had occurred on June 30, 2023. The unaudited pro forma balance sheet does not include transaction accounting adjustments for the Vivint acquisition and related financing transactions as they are already reflected in the historical balance sheet. The unaudited pro forma combined statements of operations for the six months ended June 30, 2022, and the year ended December 31, 2022 combine the historical consolidated statements of operations of NRG and the historical consolidated statements of operations of Vivint, after giving effect to the Acquisition and the related financing adjustments, and the Disposition, as if they had occurred on January 1, 2022. The unaudited pro forma combined statement of operations for the six months ended June 30, 2023 combines the historical consolidated statement of operations of NRG and the historical results of Vivint for the pre-acquisition period in 2023, after giving effect to the transaction accounting adjustments for the Acquisition and related financing adjustments and the Disposition, as if the transactions had occurred on January 1, 2022.

The pro forma financial information has been prepared by NRG for illustrative and informational purposes only, in accordance with Article 11. The pro forma financial information is based on the transaction accounting adjustments and assumptions and is not necessarily indicative of what NRG's consolidated statements of operations or consolidated balance sheet actually would have been had the transaction accounting adjustments been completed as of the dates indicated, or what they will be for any future periods. The pro forma financial information does not purport to project the future financial position or operating results of NRG. The pro forma financial information does not reflect any revenue enhancements, cost savings, operating synergies or restructuring costs that may be achievable or incurred prospectively in connection with the Acquisition or Disposition.

The acquisition method of accounting requires an acquirer to recognize and measure in its financial statements the identifiable assets acquired and the liabilities assumed at fair value at the acquisition date. The determination of fair value used is preliminary and based on management's best estimates considering currently available information and certain assumptions that management believes are reasonable under the circumstances. The purchase price allocation presented is dependent upon certain valuations and other analyses that have not yet been finalized. The final purchase price allocation, including the identifiable intangible assets and goodwill, may differ materially from the information presented.

Under ASC 805, acquisition-related transactions costs are not included as a component of the consideration transferred and are expensed in the period in which the costs are incurred. Total costs related to the Acquisition of approximately $55 million include due diligence, valuation, legal and filing fees, professional and other consulting fees.

The Disposition is considered a divestiture of a significant business under Item 2.01 of Form 8-K. As a result, the Company prepared the pro forma financial information based on historical financial information of the Company. NRG includes its proportionate share of STP's assets, liabilities, revenues and expenses in its consolidated financial statements.

At this time, NRG is not aware of any material differences in the accounting policies followed by NRG and those used by Vivint in preparing its consolidated financial statements that would have a material impact on the pro forma financial information.

Note 2. Reclassification Adjustments

During the preparation of the pro forma financial information, management performed an analysis of the Vivint financial information to identify differences in Vivint's financial statement presentation as compared to the presentation of NRG. The following reclassification adjustments align the presentation of historical Vivint consolidated statements of operations with that of NRG.

VIVINT
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2022

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Statement of Operations	Vivint Before Reclassification	Reclassification		Vivint as Reclassified
Recurring and other revenue	Total revenues	$ 800	$ —		$ 800
Operating expenses (exclusive of depreciation and amortization shown separately below)	Cost of operations (excluding depreciation and amortization shown below)	196	—		196
Selling expenses (exclusive of amortization of deferred commissions included in depreciation and amortization shown separately below)		170	(170)	(a)	—
General and administrative expenses	Selling, general and administrative costs	110	170	(a)	280
Depreciation and amortization	Depreciation and amortization	312	—		312
Interest expense	Interest expense	76	—		76
Interest income		—	—		—
Change in fair value of warrant liabilities		(18)	18	(b)	—
Other income, net	Other income/(expense), net	(14)	(18)	(b)	(32)
Income tax (benefit) expense	Income tax expense/(benefit)	(1)	—		(1)
Net Loss		**$ (31)**	**$ —**		**$ (31)**

(a) Reclassification from Selling expenses to Selling, general and administrative costs
(b) Reclassification from Change in fair value of warrant liabilities to Other income, net

VIVINT
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Statement of Operations	Vivint Before Reclassification	Reclassification		Vivint as Reclassified
Recurring and other revenue	Total revenues	$ 1,682	$ —		$ 1,682
Operating expenses (exclusive of depreciation and amortization shown separately below)	Cost of operations (excluding depreciation and amortization shown below)	390	$ —		390
Selling expenses (exclusive of amortization of deferred commissions included in depreciation and amortization shown separately below)		351	(351)	(a)	—
General and administrative expenses	Selling, general and administrative costs	248	311	(a)(b)	559
	Provision for credit losses	—	40	(b)	40
Depreciation and amortization	Depreciation and amortization	622	—		622
Interest expense	Interest expense	167	—		167
Interest income		(1)	1	(d)	—
Change in fair value of warrant liabilities		(21)	21	(c)	—
Other (income) loss, net	Other income/(expense), net	(24)	(22)	(c)(d)	(46)
Income tax expense	Income tax expense/(benefit)	2	—		2
Net Loss		**$ (52)**	**$ —**		**$ (52)**

(a) Reclassification from Selling expenses to Selling, general and administrative costs
(b) Reclassification from General and administrative expenses to Provision for credit losses
(c) Reclassification from Change in fair value of warrant liabilities to Other income, net
(d) Reclassification from Interest income to Other income, net

Note 3. Calculation of Total Consideration and Preliminary Purchase Price Allocation for the Vivint Acquisition

NRG paid $12 per share, or $2.6 billion, in cash. The total consideration of $2.623 billion includes:

	(In millions)
Vivint common shares outstanding as of March 10, 2023 of 216,901,639 at $12.00 per share	$ 2,603
Other Vivint equity instruments (Cash out RSUs and PSUs, Stock Appreciation Rights, Private Placement Warrants)	6
Total Cash Consideration	$ 2,609
Fair value of acquired Vivint equity awards attributable to pre-combination service	14
Total Consideration	$ 2,623

The purchase price is provisionally allocated as follows:

		(In millions)
Current Assets		
Cash and cash equivalents	$	120
Accounts receivable, net		60
Inventory		113
Prepayments and other current assets		37
Total current assets		330
Property, plant and equipment, net		49
Other Assets		
Operating lease right-of-use assets, net		35
Goodwill		3,492
Intangible assets, net:		
Customer relationships		1,740
Technology		860
Trade name		160
Sales channel contract		10
Intangible assets, net		2,770
Deferred income taxes		381
Other non-current assets		14
Total other assets		6,692
Total Assets	$	7,071
Current Liabilities		
Current portion of long-term debt and finance leases	$	14
Current portion of operating lease liabilities		13
Accounts payable		109
Derivatives instruments		80
Deferred revenue current		517
Accrued expenses and other current liabilities		207
Total current liabilities		940
Other Liabilities		
Long-term debt and finance leases		2,572
Non-current operating lease liabilities		28
Derivatives instruments		32
Deferred income taxes		18
Deferred revenue non-current		835
Other non-current liabilities		23
Total other liabilities		3,508
Total Liabilities	$	4,448
Vivint Purchase Price	$	2,623

The preliminary fair value of the identifiable intangible assets of $2,770 million, which includes customer relationships, technology related assets, trade name and sales contracts, will be amortized over the estimated useful life. The estimated weighted average useful life is approximately 10 years. The preliminary useful lives of the intangible assets were determined based on the expected pattern of the economic benefit. The expected amortization for the remaining six months ending December 31, 2023 is currently estimated to be $342 million. The expected amortization for the five years following the Acquisition is currently estimated to be:

	(In millions)
2024	$ 557
2025	437
2026	336
2027	260
2028	150

The final purchase price allocation depends on certain valuations and other analyses that have not yet been completed. The purchase price allocation may change materially based on receipt of more detailed information. Accordingly, the pro forma purchase price allocation is preliminary and is subject to further adjustments as additional information becomes available and as additional analyses and final valuations are completed. There can be no assurance that these additional analyses and final valuations will not result in significant changes to the estimates of fair value set forth above.

Note 4. Adjustments to Unaudited Pro Forma Balance Sheet

The pro forma adjustments reflected in the unaudited pro forma balance sheet are detailed below:

(a) Proceeds of $1.75 billion were reduced by preliminary working capital and other adjustments of $96 million and expected transaction costs of $20 million, resulting in net proceeds of $1.634 billion.

(b) Reflects the removal of historical balances of assets, liabilities and accumulated other comprehensive loss of the Company’s interest in STP that are included in the consolidated historical balance sheet under the captions held-for-sale.

(c) Reflects the pretax gain on the sale, net of transaction costs, as if the Disposition occurred on June 30, 2023. As the gain is directly attributable to the Disposition and is not expected to have a continuing impact on the Company’s operations, it is only reflected in retained earnings on the unaudited pro forma balance sheet and is not reflected in the unaudited pro forma combined statements of operations.

Note 5. Adjustments to Unaudited Pro Forma Combined Statements of Operations related to the Vivint Acquisition

The pro forma adjustments reflected in the unaudited pro forma combined statements of operations related to the Acquisition are detailed below:

(a) Adjustments to depreciation and amortization expense include:

(In millions)	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022
Reversal of historical Vivint amortization of capitalized contract costs	$ (95)	$ (275)	$ (557)
Adjustment to intangible assets amortization based on the estimated fair value and estimated useful life	52	315	615
Acquisition Accounting Adjustments	**$ (43)**	**$ 40**	**$ 58**

(b) Adjustment to remove $57 million of success and other fees incurred by Vivint, as the results of the successful acquisition by NRG, from the 2023 period and reflecting in the 2022 periods assuming the Acquisition occurred on January 1, 2022.

(c) Reflects the reversal of historical Vivint other income from the 2022 periods recorded for the change in fair value of warrant derivative liabilities, as the warrants are assumed to be cashed out upon the close of the Acquisition.

(d) Adjustments to acquisition-related transaction and integration costs include adjustments to reflect the acquisitions costs and certain one-time expenses directly related to the Acquisition in the 2022 periods.

(In millions)	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022
Acquisition costs	$ (38)	$ 55	$ 38
Other one-time expenses directly related to the Acquisition	(32)	32	32
Acquisition Accounting Adjustments	**$ (70)**	**$ 87**	**$ 70**

(e) Adjustments to Interest expense include:

	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022
Reversal of historical Vivint amortization of deferred financing costs and bond premium and discount	$ 1	$ 3	$ 6
Amortization of the difference between the fair value and the carrying value of Vivint outstanding debt	(4)	(10)	(21)
Acquisition Accounting Adjustments	**$ (3)**	**$ (7)**	**$ (15)**
Interest expense on assumed newly issued corporate debt and incremental interest expense on Revolving Credit Facility and Receivables Securitization Facilities	(2)	(54)	(108)
Write-off of short-term deferred financing costs related to the Bridge Facility	11	(11)	(11)
Assumed Financing Adjustments	**$ 9**	**$ (65)**	**$ (119)**

(f) Income tax effect of the Acquisition accounting adjustments and financing adjustments (adjusted for permanents book/tax differences) based on a combined blended federal/state tax rate of 24.86% for all periods presented.

(g) Adjustments for dividend on the $650 million preferred shares at 10.25%, giving effect to the issuance of preferred shares as if it had occurred on January, 1, 2022:

(In millions)	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022
Adjustments to dividend on preferred shares	**$ 13**	**$ 34**	**$ 67**

(h) Reflects the dilutive impact of assumed Vivint equity awards. As the acquisition is being reflected as if it had occurred on January 1, 2022, the calculation of weighted average shares outstanding for diluted pro forma combined income per share assumes the share outstanding for the entire periods presented:

(1) For the six months ended June 30, 2023, there was no impact from the assumed Vivint equity awards, as the awards were anti-dilutive due to the net loss for the period; and

(2) For the 2022 periods, reflects the dilutive effect of 1 million shares from the assumed Vivint equity awards.

Note 6. Adjustments to Unaudited Pro Forma Combined Statements of Operations related to the Disposition

The pro forma adjustments reflected in the unaudited pro forma statements of operations are detailed below:

(a) Adjustment to remove the historical expenses of the Company's interest in STP as well as the impact of buying replacement power to service the Company's retail load.

(b) Adjustments to Income tax expense/(benefit) include:

- For the six months ended June 30, 2023 and 2022, NRG's unitary current state tax rate was used to calculate a blended federal/state rate of 23.46% and 23.48%, respectively, to tax effect the Company's interest in STP pre-tax pro forma adjustments, as the Company's interest in STP does not file on a separate state tax return basis and its activity is included in NRG's unitary state tax returns.

- For the twelve months ended December 31, 2022, the Company's interest in STP's total income tax expense as calculated for the year-end 2022 tax provision was used as the tax effect of the pro forma adjustments included in note 6(a) above.

Exhibit 99.2

PRESS RELEASE

NRG Completes Sale of its Interest in South Texas Project
Transaction unlocks significant shareholder value by optimizing portfolio

Houston – Nov. 1, 2023 – NRG Energy, Inc. (NYSE: NRG) announced today its subsidiaries Texas Genco LP LLC and Texas Genco GP LLC have completed the sale of NRG South Texas LP, which owns a 44% interest in the South Texas Project Electric Generating Station (STP), to Constellation for $1.75 billion.

STP is a 2,645 MW nuclear facility located about 90 miles southwest of Houston in Bay City, Texas. The 44% interest represented approximately 1,100 MWs of output. The sale received final regulatory approval from the Nuclear Regulatory Commission on October 30, 2023.

“Completion of the sale is an important step in creating shareholder value through optimizing our diversified power supply portfolio,” said Mauricio Gutierrez, NRG President and Chief Executive Officer. “This transaction will release significant capital to fund our current share repurchase and debt reduction programs. I look forward to updating stakeholders during our November 2 earnings call.”

Barclays Capital Inc. and Morgan Stanley & Co. LLC are serving as NRG’s financial advisors, and McGuireWoods LLP is serving as legal counsel.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as “expect,” “estimate,” “should,” “anticipate,” “forecast,” “plan,” “guidance,” “outlook,” “believe” and similar terms. Although NRG believes that the expectations are reasonable, it can give no assurance that these expectations will prove to be correct, and actual results may vary materially.
NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The foregoing review of factors that could cause NRG’s actual results to differ materially from those contemplated in the forward-looking statements included in this news release should be considered in connection with information regarding risks and uncertainties that may affect NRG’s future results included in NRG’s filings with the SEC at www.sec.gov.

PRESS RELEASE

About NRG

NRG Energy is a leading energy and home services company powered by people and our passion for a smarter, cleaner, and more connected future. A Fortune 500 company operating in the United States and Canada, NRG delivers innovative solutions that help people, organizations, and businesses achieve their goals while also advocating for competitive energy markets and customer choice. More information is available at www.nrg.com. Connect with NRG on Facebook and LinkedIn, and follow us on **X (formerly known as Twitter)**, @nrgenergy.

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