



# Cepsa

Q1 2024 Results

April 26<sup>th</sup>, 2024

**CEPSA**

# Disclaimer

This presentation has been prepared by Compañía Española de Petróleos, S.A. (the "Company") solely for information purposes and may contain forward-looking statements and information relating to the Company or its subsidiaries and joint venture companies (together, the "Group").

Forward-looking statements are statements that are not historical facts and may be identified by words such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" and similar expressions. These forward-looking statements reflect, at the time made, the Company's beliefs, intentions and current expectations concerning, among other things, the Company's or the Group's results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's or any other member of the Group's markets; the impact of regulatory initiatives; and the strength of the Company's or any other member of the Group's competitors. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual results of operations, financial condition and liquidity of the Company and its affiliates or the industry to differ materially from those results expressed or implied in this document or the presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved. Undue influence should not be placed on any forward-looking statement. No statement in this presentation is intended to be nor may be construed as a profit forecast.

All information in this presentation is subject to updating, revision, verification, correction, completion, amendment and may change materially and without notice. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and the presentation does not purport to be comprehensive and has not been independently verified. Except as required by law, the Company does not assume any obligation to publicly update the information contained herein to reflect material developments which may occur after the date hereof, including changes in its business, business development strategy or any other unexpected circumstance.

Certain financial and statistical information contained in this presentation is subject to rounding adjustments. Accordingly, any discrepancies between the totals and the sums of the amounts listed are due to rounding. The information included in this presentation has not been subject to a financial audit and includes alternative performance measures ("APMs"), which have not been prepared in accordance with IFRS, and which should be viewed as complementary to, rather than a substitute for, IFRS financial information. Such APMs are non-IFRS financial measures and have not been audited or reviewed, and are not recognised measures of financial performance or liquidity under IFRS but are used by management to monitor the underlying performance of the business, operations and financial condition of the Group.

This document may contain summarized, non-audited or non-IFRS financial information. The information contained herein should be considered in conjunction with other public information regarding the Company that is available.

This presentation is for the exclusive use of the recipient and shall not be copied, reproduced or distributed (in whole or in part) or disclosed by recipients to any other person nor should any other person act on it. While the presentation has been prepared in good faith, no representation or warranty, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Company or any of its subsidiaries or their respective advisers as to or in relation to the accuracy or completeness of the presentation or any other written or oral information made available to any recipient or its advisers and any such liability is expressly disclaimed.

The information contained herein and any information provided at the presentation does not constitute or form a part of, and should not be construed as, an offer for sale or subscription of or solicitation or invitation of any offer to subscribe for or purchase any securities of the Company or any other member of the Group in any jurisdiction and none of this document, anything contained herein and any information provided at the presentation shall form the basis of any investment activity or any offer or commitment whatsoever.

## Today's presenters



**Carmen de Pablo**

*CFO*



**Jaime Cifuentes**

*IR & Corporate Strategy*

# Agenda

1. Q1 2024 Highlights
2. Market and Operational Performance
3. Q1 2024 Financial Performance
4. Closing Remarks



# 1. Q1 2024 Highlights



# Q1 2024 Key Highlights

*Strong results driven by healthy refining margins and top utilization rates*



## OPERATIONAL

**10.7\$/bbl**  
Refining  
Margin

**99%**  
Refining  
Utilization

**4.6mton**  
Commercial &  
Chemicals  
Sales

**35.6kb/d**  
WI Production

## FINANCIALS

**€583m**  
EBITDA

**€318m**  
Cash Flow from  
operations<sup>1</sup>

**€2.3bn**  
Net debt

**€4.6bn**  
Liquidity  
Position<sup>2</sup>



Figures on CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories)

1. Includes the impact of the extraordinary tax imposed on Spanish energy companies, amounting to €122m for Cepsa

2. Cash and undrawn committed and uncommitted facilities.

# Cepsa successfully completes the largest bond issue in its history for 750 million euros and 7-year tenor



*This milestone reinforces the financial profile and supports the ambitious investment plan*

**Cepsa** was the first Spanish company and the second in Europe in the energy sector to tap the bond market in 2024, after four years

The issue closed with an annual **coupon of 4.125%** and **maturity in April 2031**. It combined a **partial repurchase of the bond maturing in February 2025**

The market response confirms **confidence in Cepsa's business prospects and credit profile**, recently reaffirmed by S&P and Fitch with an **investment grade rating (BBB-)** and **Stable outlook**

This transaction **diversifies the company's funding sources** and **strengthens its liquidity position**, allowing to comfortably meet debt commitments and investment plans

**S&P Global**  
Ratings

**FitchRatings**

**CEPSA**

April, 2024



# Cepsa advances Positive Motion transformation strategy with the sale of its Upstream assets in Colombia



*Optimizing the value of our mature exploration and production assets in Latin America*

**Cepsa** continues to **maximize the value of its fields** leveraged in operational excellence

The purpose of the LATAM portfolio reshaping process is to **reinvest in the energy transition** and **reinforce the capital structure**

The transaction, still subject to approval by the relevant authorities, will **not have a material impact** in the cash generation capacity going forward







# ICO lends 150 million euros to Cepsa to install ultra-fast chargers

*ICO grants this green loan to help Cepsa boost electric mobility in Spain and Portugal*

This **reinforces ICO's support to Cepsa** in sustainable mobility and the creation of accessible infrastructures for all citizens

This **investment will enable Cepsa's ultra-fast charging network** to provide 150kW and 300kW charging points on all major corridors and roads in **Spain and Portugal**

**Cepsa is promoting the electrification and decarbonization of road mobility**, accelerating the transition to a more sustainable model

This loan is in addition to the **150 million euros financing granted by the European Investment Bank (EIB)** at the end of 2023, which will enable Cepsa to carry out 300 million euros estimated investments over the period 2023-2026



March, 2024





# Other milestones delivering Positive Motion strategy

*Moving forward to decarbonize our operations and our customers*

## Opening of a new wastewater reuse plant at the San Roque Energy Park to reduce water usage by 25%

The new plant entailed a €2.5m investment and, together with measures implemented over the last three years, will enable a total 53% saving in water

Jan, 2024



## Cepsa Chemicals contributes to the decarbonization of the North American homecare market with NextLab Low Carbon

NextLab Low Carbon soon will be expanded to other markets from our different facilities around the globe

Feb, 2024



## Cepsa and Bio-Oils begin construction of the largest 2G biofuels plant in Southern Europe

The new plant will begin production in 2026 and is expected to generate 2,000 direct and indirect jobs during construction and operation

Feb, 2024



## Making progress on its commitment to circularity by preventing more than 6,000 tons of waste

By working with new technologies, waste co-processing projects, and synergies with other companies, Cepsa continues to move towards a zero-waste business model

Feb, 2024



## Developing of the first renewable energy traceability system for the manufacture of chemical products

Pioneer process for the chemical industry that will serve as the basis for the creation of an international certification for low carbon footprint products

Apr, 2024



## Cepsa and Evos join up for green methanol storage in Spain and the Netherlands

Under the partnership, green methanol to be produced by Cepsa will be stored at Evos' facilities in the ports of Algeciras and Rotterdam

Apr, 2024





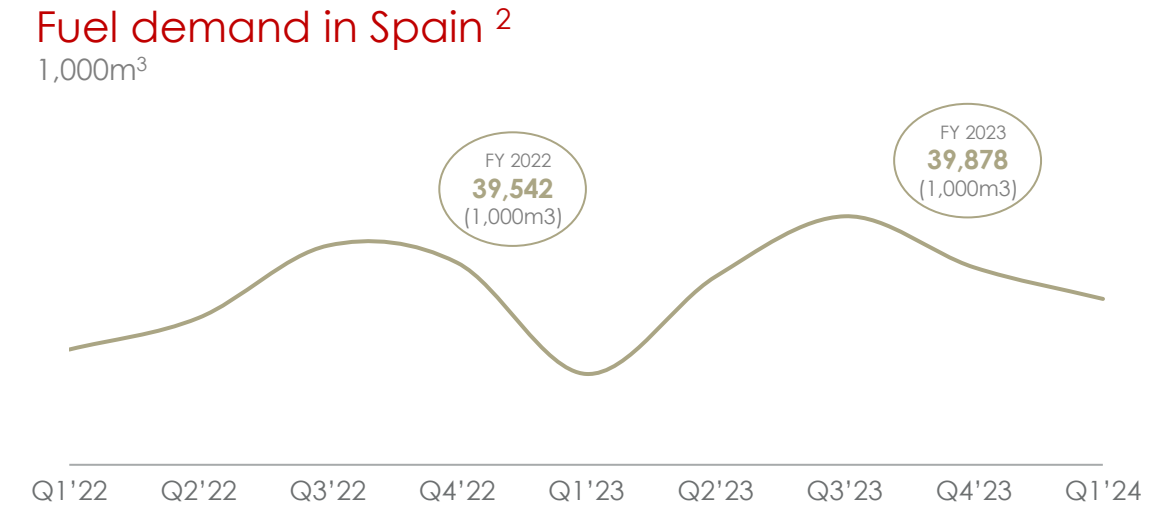
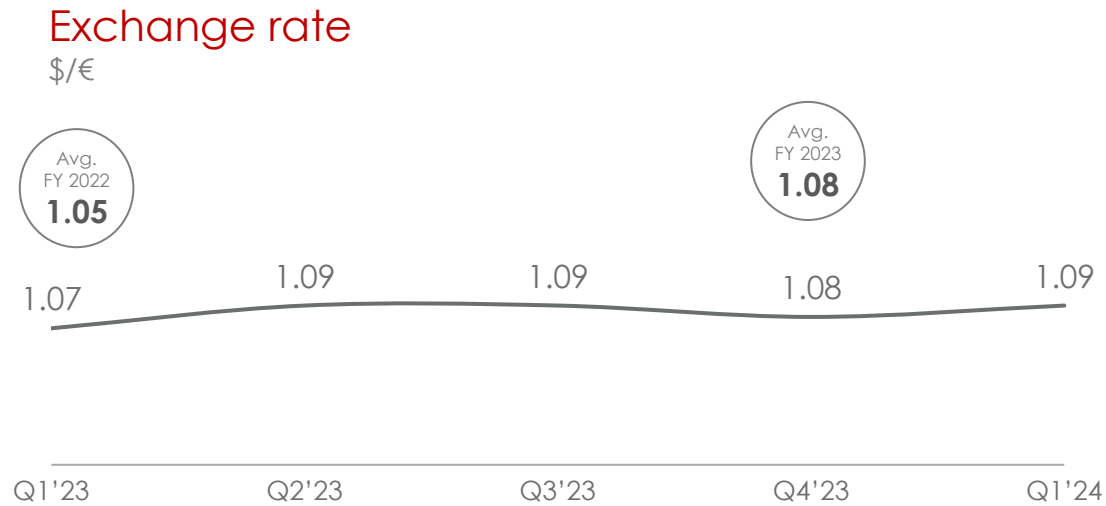
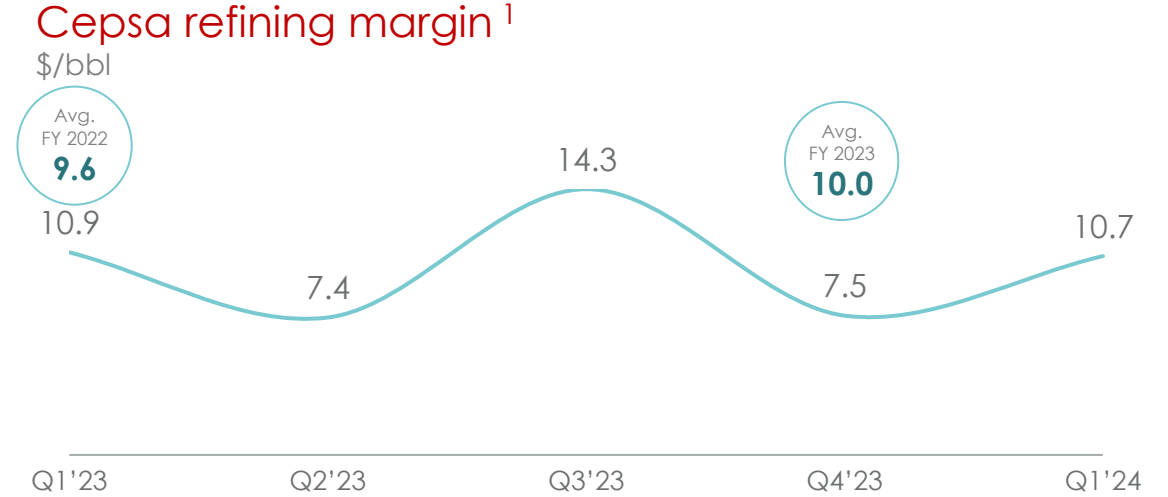
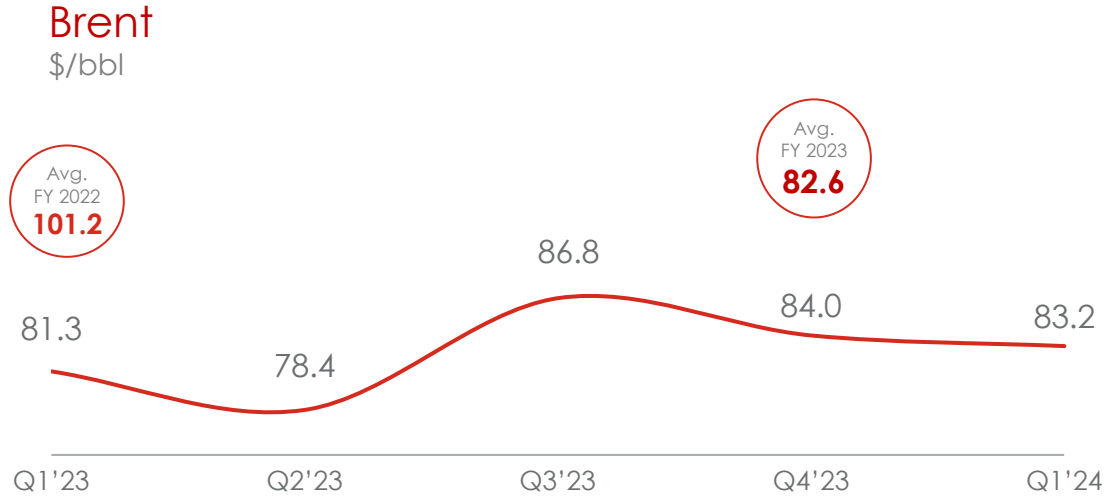
## 2. Market and Operational Performance





# Market environment

Despite lower fuel demand, crude oil prices remain stable and refining margins in healthy ranges



Source: Cepsa, Exolum. Average figures for each quarter

1. Corresponds to a variable cost margin after crude differentials, freight and corporate group allocations, including natural gas costs at TTF

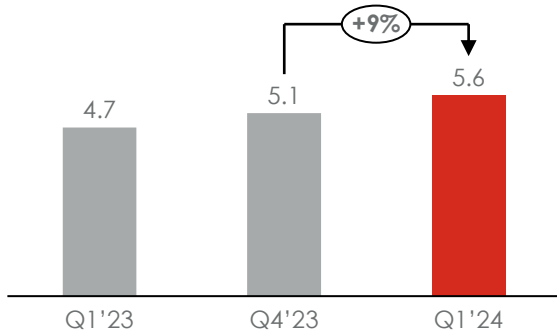
2. Relates to gasoline, automotive diesel, agricultural and heating gasoil



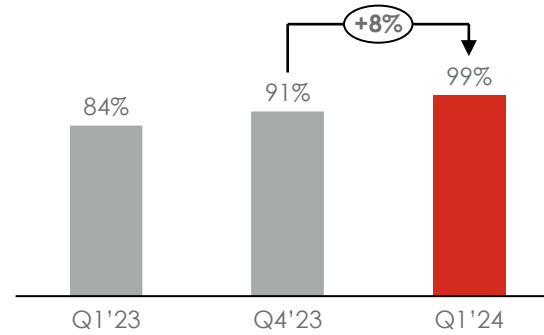
# Business performance

All segments overdelivered along with sales volumes recovery in Chemicals

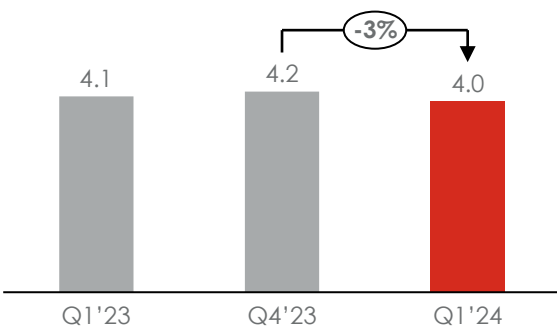
Refining Output, mton



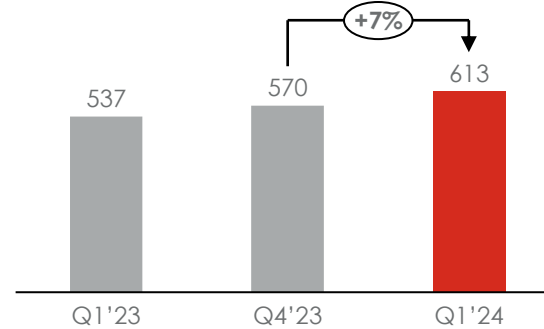
Utilization Rate, %



Commercial Product Sales, mton



Chemical Product Sales, Kton



Figures on Clean CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories)



Q1 2024 figures

Energy EBITDA  
€477m

Chemicals EBITDA  
€70m

Upstream EBITDA  
€73m



# 3. Q1 2024 Financial Performance





# Key financial metrics

*Stronger results even without the Abu Dhabi contribution*

**€583m**  
EBITDA

vs. €556m in Q1'23

**€226m**  
Net Income

vs. €176m in Q1'23

**€318m**  
CFFO<sup>1</sup>

vs. €274m in Q1'23

**€217m**  
Organic Cash Capex<sup>2</sup>

vs. €197m in Q1'23

**€2.3bn**  
Net Debt<sup>3</sup>

vs. €2.3bn in Q1'23

**€4.6bn**  
Liquidity<sup>4</sup>

vs. €4.3bn in Q1'23

Figures on CCS basis unless otherwise stated (excluding extraordinary and inventories effects); Q1'23 figures include Abu Dhabi performance until March 15<sup>th</sup>

1. Includes the payment of €164m in Q1'23 and €122m in Q1'24 corresponding to the extraordinary tax imposed on Spanish energy companies;

2. Excluding M&A activities;

3. Excluding IFRS16;

4. Cash and undrawn committed and uncommitted facilities.

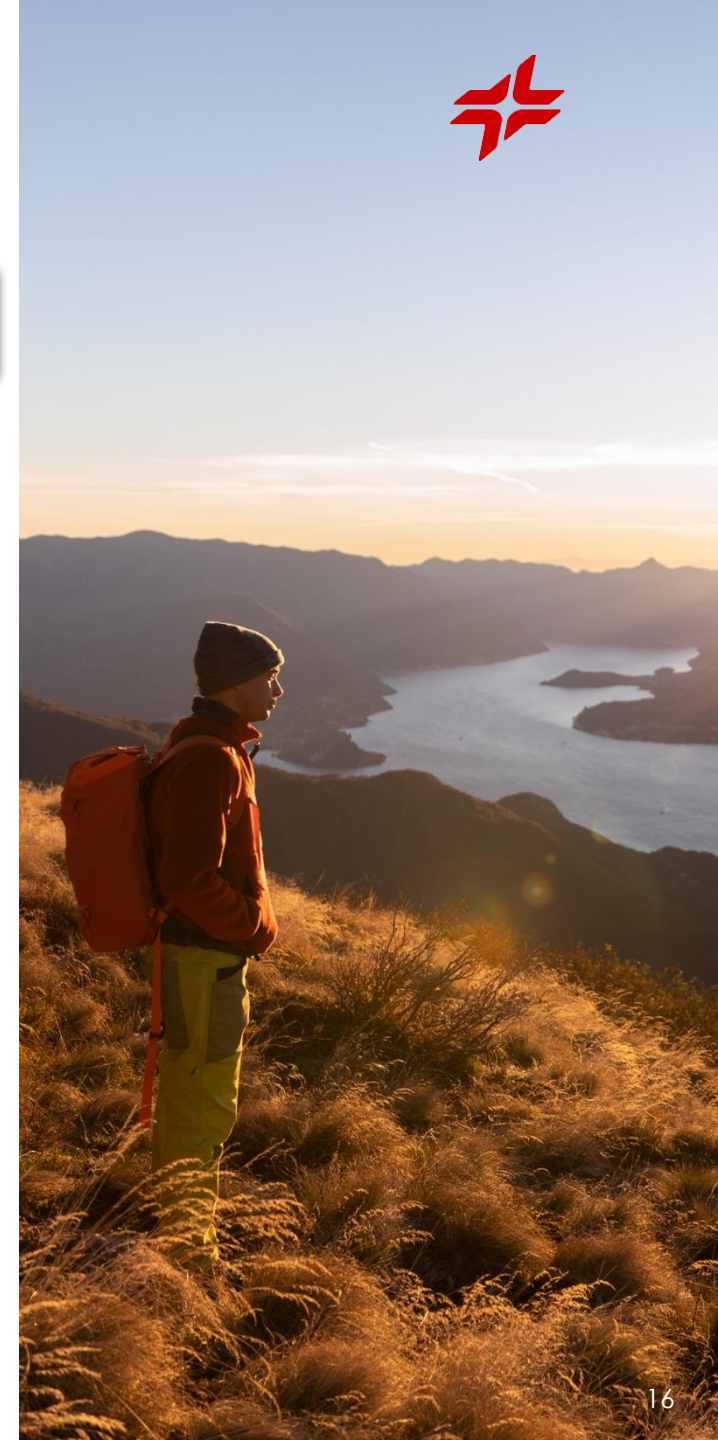


# Cash flow breakdown

Q1'24 FCF metric above Q1'23 if adjusted for the Abu Dhabi divestment

Cash Flow generation (€m)		Q1'24	Q1'23
	<b>EBITDA</b>	<b>583</b>	<b>556</b>
+	Taxes	(49)	(220)
+/-	Other adjustments to EBITDA <sup>1</sup> (Incl. Windfall tax)	(143)	(51)
=	<b>Cash flow from operations before WK</b>	<b>391</b>	<b>285</b>
+/-	Changes in working capital	(73)	(11)
=	<b>Cash flow from operations</b>	<b>318</b>	<b>274</b>
+/-	Cash Flow from investments	(217)	852
=	<b>Free Cash Flow before financing</b>	<b>100</b>	<b>1,126</b>
-	Interest and leases <sup>2</sup>	(103)	(77)
+	Equity-financed projects	14	0
=	<b>Free Cash Flow before dividends</b>	<b>11</b>	<b>1,049</b>

Includes impact of Abu Dhabi divestment



Figures on CCS basis unless otherwise stated; Q1'23 figures include Abu Dhabi performance until March 15th  
 1. Includes the impact of the extraordinary tax imposed on Spanish energy companies, amounting to €122m in Q1'24 and €164m in Q1'23  
 2. Include cost of debt and operating leases

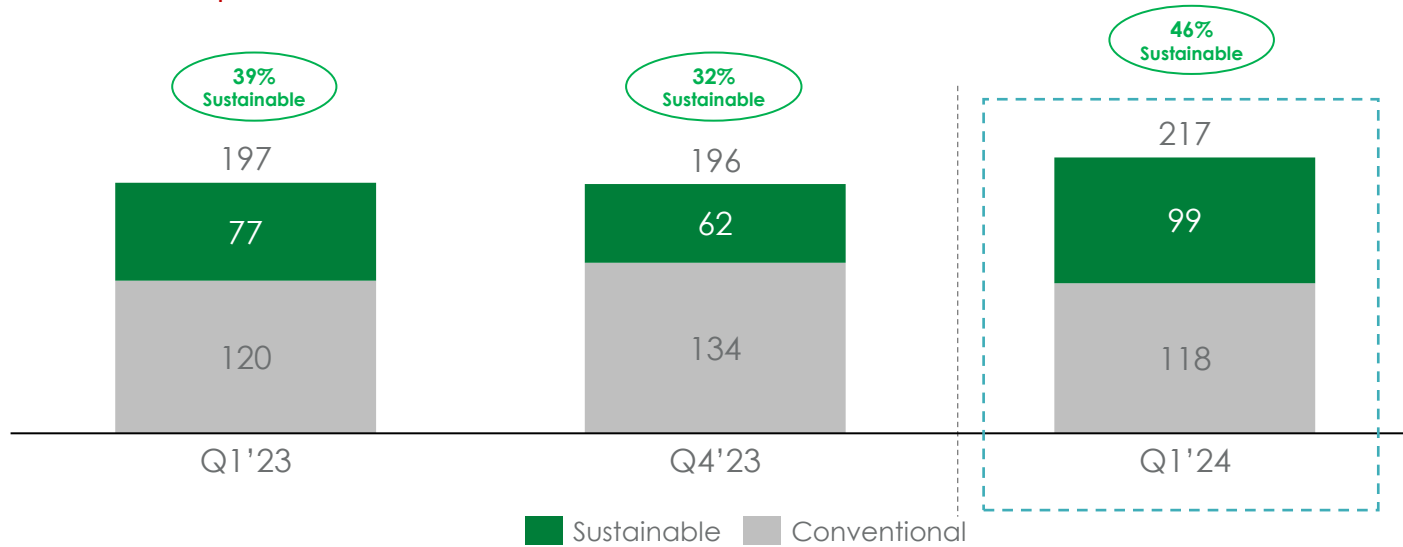




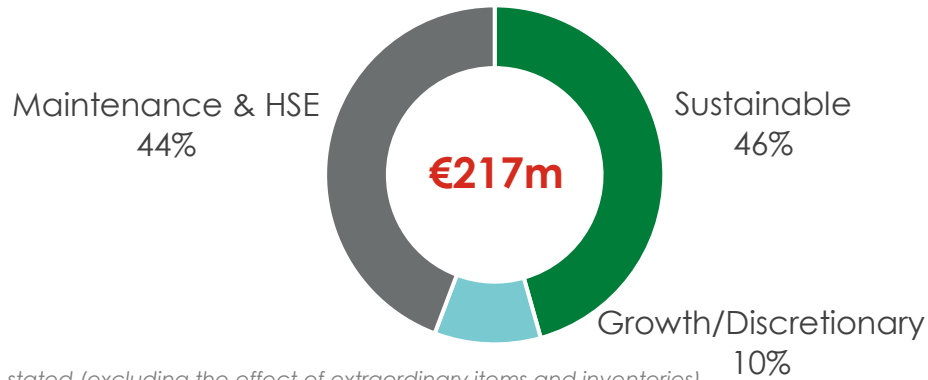
# Capex evolution and breakdown

Optimization of investments by prioritizing the most value accretive projects aligned with Positive Motion strategy

Organic Cash Capex<sup>1</sup> evolution €m



Organic Cash Capex<sup>1</sup> breakdown €m



Figures on CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories)  
Sustainable Capex measured under Cepsa's internal criteria for the classification of sustainable activities  
1. Excluding M&A activities





# 4. Closing Remarks



# Closing Remarks

Resilient performance during Q1 '24 across all business segments

BUILDING



P O S I T I V E  
M O T I O N

- **Solid CCS EBITDA of €583m**, representing a 5% increase compared to Q1 '23, even considering Q1 '23 results still benefited from the Abu Dhabi production
- **46% of our Capex payments<sup>1</sup> was devoted to sustainable projects**, demonstrating Cepsa's significant progress in executing its Positive Motion strategy
- **Ratings agencies S&P Global and Fitch Ratings reaffirmed Cepsa's IG credit rating and Stable outlook for the group**
- **Cepsa continues to reinforce its financial strength** with the successful issue of a 7-year **€750m bond** to support the Positive Motion investment plan
- **Cepsa advances Positive Motion transformation strategy with the sale of Upstream assets in Colombia<sup>2</sup>**
- **Cepsa began the construction of the largest 2G biofuels plant in Southern Europe in partnership with Bio-Oils**
- **The company keeps a solid liquidity position of €4.6bn<sup>3</sup>**, providing a strong liquidity buffer enough to cover maturities in the coming years

Figures on CCS basis unless otherwise stated

1. Sustainable Capex measured under Cepsa's internal criteria for the classification of sustainable activities

2. It is still subject to approval by the relevant authorities

3. Cash and undrawn committed and uncommitted facilities



# Cepsa

Q1 2024 Results

April 26<sup>th</sup>, 2024

**CEPSA**