

JOINT MERGER PLAN OF “COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U.” (CEPSA) (ABSORBING COMPANY) AND “CEPSA EP, S.A.U.” (ABSORBED COMPANY)

Pursuant to the provisions of Article 27.1 of *Law 3/2009 of April 3rd on Structural Modifications of Commercial Companies* (hereinafter, “Structural Modifications Law” or “SML”) and as envisaged in Articles 30 and 31 thereunder, the members of the Board of Directors of “COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U.” (CEPSA) as well as the Directors, with sole powers of representation, of “CEPSA EP, S.A.U.” have drafted, approved and signed this Merger Plan.

1) DESCRIPTION AND PURPOSE OF THE MERGER

1. DESCRIPTION

The companies taking part in the merger are the following:

- “COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U.” (CEPSA) as the Absorbing Company.
- “CEPSA EP, S.A.U.” as the Absorbed Company.

The Absorbing Company is the sole owner of all of the shares, comprising 100% of the share capital, of the Absorbed Company.

The transaction described herein involves the merger of “CEPSA EP, S.A.U.” into “COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U.” (CEPSA) by means of the absorption of the former by the latter.

Since the Absorbing Company, "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, SAU" (CEPSA) is the sole direct owner of the Absorbed Company, “CEPSA EP, S.A.U.”, the merger regime for wholly-owned companies established in Article 49.1 of the SML shall be applicable.

Once the aforementioned merger by absorption is executed, the only surviving company will be "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U." (CEPSA).

2. PURPOSE

The proposed transaction described above is part of a restructuring process that aims to concentrate all the assets and activities of the Absorbed Company, "CEPSA EP, SAU", in the Absorbing Company, "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, SAU" (CEPSA), thus simplifying the corporate structure of the group with the consequent cost reduction.

This transaction will achieve a number of economic benefits for the Group, through the simplification and rationalization of the business structure, the optimization of financial relations among group companies through the rationalization of the use of financial resources, as well as the simplification of accounting, mercantile and tax obligations, and the streamlining of administrative procedures.

This merger transaction is part of a broader process to simplify and rationalize the business structure of the CEPSA Group.

2) CONTENT OF THE JOINT MERGER PLAN

I.-IDENTIFICATION OF THE COMPANIES INVOLVED IN THE MERGER

ABSORBING COMPANY:

Corporate name: COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U. (CEPSA)

Tax Identification Number (CIF): A-28003119

Commercial Registry details: The Company has been duly filed with the Madrid Commercial Registry, Volume 588 of the Companies Book, Folio 35, Page M-12689.

Corporate address: The Company has its registered office at CEPSA Tower, Paseo de la Castellana 259-A, 28046 Madrid (Spain).

ABSORBED COMPANY:

Corporate name: CEPSA EP, S.A.U.

Tax Identification Number (CIF): A-28017184

Commercial Registry details: The Company has been duly filed with the Madrid Commercial Registry, Volume 3993 of the Companies Book, Folio 204, Page M-66801.

Corporate address: The Company has its registered office at CEPSA Tower, Paseo de la Castellana 259-A, 28046 Madrid (Spain).

II.- SHARE EXCHANGE RATIO AND PROCEDURE

Pursuant to Article 49.1.3 of the SML, no increase in the share capital of the Absorbing Company, "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, SAU" (CEPSA) is required, as the transaction involves a merger by absorption of a wholly-owned company where the Absorbing Company owns all of the shares, representing 100% of the share capital, of the Absorbed Company.

Consequently, "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U." (CEPSA) will not issue any new shares to be exchanged for shares of the Absorbed Company, and therefore, in accordance with the provisions of Article 49.1.1 of the SML, references to the share exchange ratio or procedure in this Joint Merger Plan are not applicable in this case.

For this same reason and by virtue of what is set forth in Article 49.1.2, neither the Independent Experts' Report on the Joint Merger Plan described in Article 34 of the SML, nor the Directors' Report set out in Article 33 of the SML, will be required.

III. IMPACT OF THE MERGER ON CONTRIBUTIONS FROM INDUSTRIAL PARTNERS OR OTHER ANCILLARY OBLIGATIONS TO THE ABSORBED COMPANY AND COMPENSATION TO AFFECTED SHAREHOLDERS

There are no shareholders affected by the merger, given that there are no (i) contributions from industrial partners or (ii) other ancillary obligations to the Absorbed Company, and therefore, no compensation or impact of any kind in this connection is expected.

IV. -ASSIGNMENT OF SPECIAL RIGHTS

No assignment of special rights is expected, as no special or preferential types of shares exist either in the Absorbing Company or the Absorbed Company and no special rights have been assigned to shareholders in the Absorbed Company other than the ordinary rights associated with their shareholding.

V. - ASSIGNMENT OF PRIVILEGES

No special privileges, rights or extraordinary compensation shall be reserved either to the Directors of the Absorbing and Absorbed Companies or to any independent experts, as such experts were not involved in this Joint Merger Plan.

VI. -DATE ON WHICH THE NEWLY-ISSUED SHARES SHALL ENTITLE THEIR HOLDERS TO A SHARE IN THE PROFITS OF THE ABSORBED COMPANY

In accordance with Article 49.1.1 of the SML and as stated in Section II of this Joint Merger Plan, considering that no share capital increase will take place in the Absorbing Company as a result of this transaction, and no new shares will be issued, this circumstance is not applicable.

VII. -EFFECTIVE DATE FOR ACCOUNTING PURPOSES

Pursuant to Spanish GAAP and for accounting purposes, all transactions of the Absorbed Company, "CEPSA EP, S.A.U." shall be deemed to be performed by the Absorbing Company, "COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U." (CEPSA), as of January 1, 2019.

VIII. -BYLAWS OF THE RESULTING COMPANY FOLLOWING THE MERGER

The Absorbing Company will not amend its Bylaws as a result of the merger by absorption and will continue to be governed by the Corporate Bylaws in force on the date of drafting of this Joint Merger Plan and duly registered in the Commercial Registry.

IX. - INFORMATION ON THE VALUATION OF THE ASSETS AND LIABILITIES OF THE ABSORBED COMPANY THAT ARE TRANSFERRED TO THE SURVIVING COMPANY

As provided for under Article 49.1.1 of the SML, no mention of this information is required.

X. - DATES OF THE ANNUAL ACCOUNTS OF THE MERGING COMPANIES USED FOR PURPOSES OF ESTABLISHING THE CONDITIONS FOR THE MERGER IS PERFORMED

As provided for under Article 49.1.1 of the SML, no mention of this information is required.

XI. -POSSIBLE REPERCUSSIONS OF THE MERGER ON EMPLOYMENT, AS WELL AS ITS POSSIBLE IMPACT ON THE GENDER COMPOSITION OF THE GOVERNING BODIES, AND, WHERE APPLICABLE, ON CORPORATE SOCIAL RESPONSIBILITY

No repercussions on employment conditions are expected from this proposed merger.

The governing body of the Absorbing Company (Board of Directors) will remain unchanged in both its structure and composition, and therefore, no impact on gender composition is expected.

Similarly, the execution of the merger will have no impact on the corporate social responsibility policies of the Absorbing Company.

XII. - MERGER BALANCE SHEETS

In accordance with the provisions of Article 36 of the SML, the merger balance sheets will be the last annual balance sheets approved and closed as of December 31, 2018 and duly audited, where appropriate.

XIII. - FILING OF THE JOINT MERGER PLAN IN THE CORRESPONDING COMMERCIAL REGISTRIES

The Joint Merger Plan will be signed in duplicate and filed in the Commercial Registry of the municipality where the participating companies have their registered office (i.e., in the Commercial Registry of Madrid).

Within the period of six (6) months stipulated under Article 30.3 of the SML, the Joint Merger Plan will be submitted for approval to the Sole Shareholder of the companies involved in the merger.

XIV. - TRANSACTIONS QUALIFYING UNDER THE SPECIAL TAX REGIME OF CORPORATE TAX LAW 27/2014 OF NOVEMBER 27th

In compliance with the provisions of Article 89 of *Corporate Tax Law 27/2014 of November 27th*, this merger qualifies under the “*Special Regime for Mergers, Spin-offs, Asset Contributions, Share Swaps and Changes in Registered Offices of a European Company or a European Cooperative from one member state to another of the European Union*”, as established in Chapter VII of Title VII of the aforementioned Law, and shall be notified to the Spanish Tax Authorities in the manner and within the deadlines stipulated therein.

In witness whereof and for all intents and purposes, the Directors of the participating companies have signed this Joint Merger Plan in Madrid, on June 25, 2019.

<p>“COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.U.” (CEPSA):</p> <hr/> <p>Mr. Musabbeh Helal Musabbeh Ali Alkaabi Chairman</p> <hr/> <p>Mr. Pedro Miró Roig Deputy Chairman and CEO</p> <hr/> <p>Mrs. Alyazia Ali Saleh Ahmed Alkuwaiti Director</p> <hr/> <p>Mr. Ángel Corcóstegui Guraya Director</p>	<p>“CEPSA EP, S.A.U.”:</p> <hr/> <p>Mr. Luis Travesedo Loring Director</p> <hr/> <p>Mr. Álvaro Badiola Guerra Director</p>
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Mr. Bakheet Saeed Bakheet Salem Alkatheeri
Director

Mr. Ahmed Saeed Mohamed Alcalily Alameri
Director

Mr. Saeed Mohamed Hamad Fares Almazrouei
Director