>> JAIME CIFUENTES: Good morning, ladies and gentlemen and welcome to CEPSA’s third quarter, 2023 results presentation. Thank you for joining us today. My name is Jaime Cifuentes, CEPSA’s Head of Investor Relations and Corporate Planning.

Before we start, please let me take a moment to remind you that the financial information contained in this document is unaudited and some figures are non-IFRS.

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You can send us your questions though the “Ask a question tab” located at the bottom of the screen at any time during the presentation, we will do our best to answer all of them at the end of the session. Today's conference call will be conducted by Carmen de Pablo CEPSA's Chief Financial Officer. So without any further delay, Carmen, the floor is yours.

>> CARMEN DE PABLO: Thank you very much, Jaime and good morning ladies and gentlemen. I'm Carmen de Pablo, CEPSA's CFO and I welcome you all to the CEPSA’s third quarter 2023 results presentation. I hope you are all well and thank you all for joining.

During today's presentation, we will cover the following topics. First, I will briefly introduce you to the main highlights of the quarter, including key milestones on the progress we have made on our strategy: Positive Motion. Second, I will go through the highlights of the first nine months of the year, including the operational and financial performance of the group before making some closing remarks and opening for Q & A.

Now, moving on to slide six, please. Let me start by covering the key market variables that affect our business. In the third quarter of 2023, crude oil prices averaged $87 per barrel an 11% increase, when compared to the second quarter, but $14 below the same period of a year ago. This quarter’s rise follows OPEC commitment to extend production cuts through 2024 announced in June. Additionally, the presence of an already balanced global oil reserve landscape exerted upward pressure on oil prices. During this period, CEPSA maintained a robust refining margin reaching $14.4 per barrel, mainly driven by increased demand, lower natural gas prices, and an extraordinary performance in middle- and light-distillate cracks. The euro-dollar exchange rate remains stable consistent with the previous quarter at $1.09 per euro. Spanish fuel demand experienced a substantial increase compared to the preceding quarters of 2023, mainly due to seasonality effects.

Turning our attention to slide seven, we will delve into the financial and operational KPIS for the quarter. As mentioned previously, the strong performance achieved during the quarter was primarily driven by a supportive market environment and a general increase in key market variables. Our results for the quarter reflect sustained solid refining margins, higher crude oil prices and a robust operational performance as we saw improvement across all variables, in comparison to the second quarter of 2023. During the quarter, CEPSA reported clean earnings before interest taxes, depreciation and amortization on a current cost of supply basis, EBITDA at CCS level of €423 million, cash flow from operations before working capital reached €442 million, a substantial increase compared to the figure of the second quarter. This underscores our capability to generate robust operating cash flows. Note that these results do not incorporate the second payment of €158 million related to the extraordinary tax in Spain for 2023. With regard to our leverage metrics, we reported a net debt to EBITDA ratio of 1.7 times above last quarter's figure. This is due to the reduced contribution in the last 12 months' EBITDA following the divestment of our assets in the UAE. Lastly, regarding liquidity, we closed the quarter with a robust position of €4.2 billion. This level of liquidity provides ample coverage of our debt maturities, ensuring a buffer to cover maturities until the end of 2027.

And now, moving on to our operational performance, despite ongoing global instability throughout the third quarter, our refining margin saw almost a twofold increase compared to Q2, averaging at $14.4 per barrel. Our refining utilization rate stood at 94%. A notable improvement over the 91% recorded in the previous quarter. This improvement can be attributed to the successful completion of the scheduled turnarounds in previous months at both of our energy parks. Commercial product sales reached a total of 45 million tons above our Q2 figure on the back of enhanced Spanish fuel demand. And finally, in our upstream business, the working interest production reached 33,000 barrels per day, representing an increase when compared to the second quarter, primarily driven by the positive outcomes of various interventions conducted in our facilities.

And now, moving on to slide eight, we will review the significant advances in the implementation of our Positive Motion Strategy. Regarding the deployment of our ultra-fast EV charging network, we built a strategic partnership with ENDESA aimed at introducing a comprehensive charging solution designed to bolster electric mobility. Both CEPSA and ENDESA share a common vision of accelerating the energy transition in Spain and Portugal with a focus on advancing the decarbonisation of transportation and promoting sustainable mobility. This shared goal in mind, we have taken a significant step to provide a convenient and all-encompassing solution that caters for charging requirements of all electric vehicle users. In the area of biofuels, we commenced the distribution of biofuels at the Port of Barcelona which marks our most substantial supply operation to date. Our vision is to make second generation biofuels readily available at all ports within our operational purview by leading the production of biofuels throughout this decade thereby helping our customers in tackling their decarbonisation challenges. This initiative serves as a powerful demonstration of CEPSA's dedication to second-generation biofuels as a key driver in propelling the decarbonisation of the maritime industry. It complements a series of recent supply initiatives including this summer's supply of biofuels to more than 80 ferry trips operated by Naviera Armas Transmediterránea at Port of Algeciras. And as part of our Positive Motion Strategy, we continue to support our customers by offering additional fuel discounts of up to €0.10 per litre. CEPSA is strongly committed to helping its customers in the current context of persistent high inflation.

Now on slide nine, we have some additional highlights on recent developments of our strategy. We have also embarked on an ambitious journey with key ventures to develop projects for the construction and operation of up to 15 biomethane production facilities that will utilize agriculture and livestock waste as livestock, hence significantly decarbonising our industrial operations and replacing conventional natural gas with a sustainable and renewable alternative. Our goal is to achieve substantial reductions in CO2 emissions across our power and chemical plants. Moreover, our efforts in biomethane serve as a complementary avenue for the production of green hydrogen, further contributing to our commitments to sustainable energy production, mobility, and the creation of jobs in Spain. Works are already underway for the first five facilities set to be located in Castilla La Mancha and Castilla y Leon and anticipated to be operational between 2025 and 2026. We also received the award of the Best Hydrogen Initiatives of 2023 from El Periodico de Energía for developing the Andalusian Green Hydrogen Valley. This is the most important hydrogen project announced so far in Europe with two gigawatts of electrolysis capacity and commercial agreements all along the value chain. This award demonstrates our project's strength and competitiveness, and it motivates us to remain committed to this new energy vector as one of the cornerstones of the energy transition. It is also worth highlighting that CEPSA has started supplying 100% renewable diesel HVO to its professional clients. This initiative contributes significantly to the decarbonisation as it represents a reduction in CO2 emissions of up to 90%. Our production of renewable fuels at La Rábida Energy Park, in Huelva, primarily stems from organic waste and used cooking oils. These fuels are already being supplied to customers in the aviation, maritime, and railway sectors. And last but not least, we continue to demonstrate our strong commitment to the shipping and port industry by promoting innovative initiatives that support our partners and customers in their journey towards decarbonisation. In this context, we recently hosted the ceremony in collaboration with ship owner Mureloil to celebrate the launch of the Bahia Levante barge. This is a pioneering hybrid-electric-diesel supply vessel and the first of its kind to offer marine fuel supply services in Europe. It has the potential to reduce fuel consumption by an impressive 30% and decrease greenhouse gas emissions by over 35%, contributing to the prevention of more than 2,000 tons of CO_2 emissions annually. Furthermore, the vessel started supplying second generation biofuels in September, adding another layer of environmental benefits to its operation.

And now, on the following slide, let me emphasize some of our most significant and ambitious strategic achievements. In October, as part of our commitment to execute the Positive Motion Strategy, the European Investment Bank granted us €150-million loan to facilitate the development of over 1800 ultra-fast electric vehicle chargers at service stations throughout Spain and Portugal. This financing arrangement underscores our dedication to promoting the electrification and decarbonisation of road mobility. As well as our transition to a more sustainable model. It aligns seamlessly with our decarbonisation strategy: Positive Motion. This demonstrates our ability to secure support from both private and public financial institutions, like the European Investment Bank, to realize our strategic initiatives and establish ourselves as a leader in the energy transition. I would like to emphasize that CEPSA is actively rolling out an extensive ultra-fast charging network within its service stations throughout Spain and Portugal, featuring chargers with a minimum capacity of 150 Kw strategically positioned along major transportation corridors and communication routes. We plead to the various administrations that concede the permitting to help us accelerate this development across our network.

And now, moving on to the next slide, and as a significant stride in our strategy journey, we have successfully signed an agreement with Ballenoil, a pioneering leader in the retail energy low-cost segment to acquire the network of service stations with the explicit aim of positioning it as a sustainability benchmark within this segment. This acquisition will bolster our supply of electric charging points and introduce the sale of biofuels, aligning our business with the shifting landscape of sustainable energy solutions. The Ballenoil network currently comprises 220 service stations, which implies that the CEPSA group will surpass the total figure of 2,000 service stations. It is our aim to expand the low-cost perimeter to 500 sites by 2027. This agreement boosts our network expansion and accelerates the integration of new energy sources while also ensuring a stable fuel supply. Simultaneously, we continue to develop our current service station model where customers can access multiple forms of energy products and services they require throughout the concept of ultra-convenience. This offering includes dining options, supermarkets, package collection, and pharmacy services. Furthermore, we remain committed to driving our loyalty program CEPSA GO to provide enhanced discounts and benefits to our valued customers.

And now, as we proceed to slide 12, it is important to underscore the acknowledgment we have received in ESG from relevant third parties. Starting with S&P, the company has revised its corporate sustainability assessment evaluation upwards for CEPSA. This achievement firmly places us within the top

5% in our sector and we are the only recipient of this prestigious industry mover award. As you may know, Moody's has also recognized CEPSA as the top three performers within our sector in Europe. We have experienced a commendable improvement of four points in their ESG assessment. And Sustainalytics continues to uphold our position as the number one company in the sector for the third consecutive year. Notably, they have qualified CEPSA as ESG-industry's top-rated company. This continued recognition from various agencies with different rating methodologies, demonstrates the success of our Positive Motion Strategy and affirms our commitment to sustainability and responsible business practices.

And now, moving on to the next section, we will review the key financial and operational highlights for the first nine months of the year. We reported an EBITDA of €1.2 billion for the nine months of 2023, primarily attributed to the robust performance in the energy segment. This was the result of an upswing in refining margins, particularly prominent during the third quarter. In terms of normalized cash flow from operations, excluding the extraordinary impact of the windfall tax, we reached €1 billion, surpassing last year's figures. Throughout the three initial quarters of the year, we have disbursed a total of €323 million to fulfil the obligations of the windfall tax imposed on energy companies in Spain, settling the first instalment in February and the second in September of this year. We believe a potential extension of the windfall tax is detrimental to the development of the energy transition agenda in Spain. The windfall tax is purely designed as it fails to tax extraordinary profits, which was its original intended purpose, and it focuses solely on sales, penalizing the competitiveness of Spanish companies. This results in a significant fiscal asymmetry, when compared to the rest of Europe. All stakeholders including the Government should work to support industry and create a competitive environment for the energy transition, fostering investment and enabling the development of Europe's biggest green hydrogen project in Spain being led by CEPSA.

As previously highlighted, we maintain a robust liquidity position amounting to €4.2 billion, which comfortably covers our debt maturities throughout the end of 2027. Effectively mitigating refinancing risks. And additionally, we have achieved a meaningful debt reduction to €2.5 billion.

Turning our attention now to our operational performance, the refining margin has stood at $10.9 per barrel, demonstrating a healthy environment for Mediterranean Refiners. And concurrently, the refining utilization rate maintains a good average of 90% throughout the period. In the upstream segment, our working interest production decreased to 45,000 barrels per day, reflecting the impact of the change in the perimeter. While commercial product sales reach 12.8 million tons, in line with historical trends.

And now moving on to slide 15, we will look deeper into the key highlights of our business performance. Starting with our energy segment, EBITA for the first nine months reached €660 million driven by robust refining margin and utilization rates together with the steady commercial product sales. Within our chemical business, we have continued to exhibit resilient results thanks to the elevation of energy costs, which offset the impact of reduced volumes stemming from the global decrease in demand, Europe's economic uncertainties, inflationary pressures, and elevated interest rates. This segment reported an EBITDA €176 million for the period. And last, our upstream business EBITA for the period amounted to €442 million. CEPSA maintains exposure to the upstream business allowing us to leverage synergies and mitigate potential risks.

And now, moving on to slide 16, we will review the financial performance of the group for the first nine months of the year. First, and as previously mentioned, CEPSA reported an EBITDA of €1.2 billion for the first nine months, along with a net income of €252 million. It is worth noting that this reflects the sale of Abu Dhabi assets when compared to figures from 2022. Our Cash Flow from Operations excluding in the impact of the windfall tax, which does not truly reflect the performance of our core business remains strong at €1 billion above last year's figure. This continues to underscore that our company maintains a robust asset base capable of generating substantial cash flow. Investments increased substantially when compared with the same period of 2022 as the execution of our Positive Motion Strategy is our primary objective. In the coming slides, we will explain our organic capital expenditure in more detail. Our net debt currently stands at €2.5 billion and we are proud to maintain a highly-favourable liquidity position as a result of our conservative financial policies and our commitment both from management and shareholders to adhere to an investment grade credit profile.

And now, moving on to slide 17, please. CEPSA has consistently demonstrated a robust cash flow generation from operations. In fact, this figure surpasses that of 2022 reaffirming the relatively modest contribution of the divested Abu Dhabi assets to our cash flows. Organic Free Cash Flow generation stood at €254 million reflecting the increase in investment when compared to last year. But when taking into consideration the payment of the windfall tax, our free cash flow generation would have been negative. As we explain in more detail, on the next slide, CEPSA remains committed to stepping up investments as a core component of the Positive Motion Strategy. Meanwhile, we will continue to maintain a conservative financial policy to safeguard our financial stability.

Now, let's proceed to slide 18, where we will go into our investment initiatives. In the current quarter, our Capex expenditure totalled €163 million of which sustainable investments accounted for 41%. A notable increase of approximately 70% when compared to the same quarter of 2022. Over the course of the first nine months of this year, our investments reached €439 million marking a notable 23% increase, compared to the same period of last year. Sustainable investments constituted 40% of the overall Capex for the first nine months, primarily directed towards clean energy initiatives, co-processing, biofuels production, CO2-emissions reduction projects, hydrogen development, and renewable projects, as well as the expansion of the EV charging infrastructure across our service station network.

And now, to wrap up, let's move on to slide 20, please. So, in summary, we have delivered a robust EBITDA of almost €1.2 billion, in clean CCS terms, for the first nine months of this year. Our commitment to execute our Positive Motion Strategy is reflected in a substantial increase of sustainable Capex which represented 40% of our investments. We reached an agreement with Ballenoil to acquire its low-cost service station network. Through this deal, we acquired 220 service stations with a growth plan to reach 500 sites within the next three years. And we will continue to promote sustainable mobility in a context of market volatility and with fuel supply at competitive prices. Furthermore, as previously mentioned, we have progressed significantly in the development of the strategy with key milestones such as the agreement with ENDESA to boost electric mobility, the distribution of biofuels in key infrastructure and the plans to produce biomethane using agricultural and livestock waste. It is also important to underline that we have received the solid support from both private and public financial institutions, such as the European Investment Bank, to drive electric mobility initiatives across the Iberian Peninsula, thereby facilitating the execution of our decarbonisation plans for CEPSA and for our society. On the financial side, our net debt decreased to €2.5 billion throughout the period. Whilst our liquidity remained robust at €4.2 billion, comfortably covering debt maturities until the end of 2027.

And now, to conclude, let me remind you that we continue to look ahead as we make progress with our Positive Motion Strategy, strengthening our position with key energy markets in Europe and forging new alliances across the sector. In doing so, we are laying the foundations of our company leadership in the fields of clean energy and e-mobility. We are building the ecosystem we need to accelerate the roll out of green fuels, green molecules for our customers and to ensure clean and independent energy supply for Spain and the rest of Europe. And within this, we conclude today's presentation. Thank you all for joining us and we will now hand it over to Jaime for the Q&A session. Thank you.

>> JAIME CIFUENTES: Thank you very much, Carmen. Just let me remind you all how you can send us your questions. There is an "Ask a question" tab located at the bottom of your screen and you may type your questions directly into the dialogue box. We will now give you some time to post your questions. Thank you.

Okay. We, we already have a few questions here. So, let's deal with a few of them regarding the Ballenoil acquisition.

The first one is: "May you give us an indication about the acquisition of Ballenoil total investment, rationale for the acquisition, and funding?"

>> CARMEN DE PABLO: Okay. So, as you have seen, we announced this week the acquisition of Ballenoil. This is an area of… What we see as a growing low-

cost offer. It represents around 50% of the market volume is in this segment within low cost and hypermarkets. And we want to be a relevant actor in the market. So we need to be effectively on this type of offer. We also see this effectively as a way to continue to offer our customers competitive prices. And we see also a strong demand from customers, who are choosing to go to the low-cost segment. So that's-- we see this as becoming obviously a way for us to further strengthen our ambition in sustainable mobility. And, with Ballenoil, eventually to be a benchmark in terms of sustainability as well. As we mentioned in the press release, also reinforcing our ability, eventually, to offer also electric charging and incorporating the sales of biofuels. And we will be supplying 100% of the fuel that Ballenoil will market. In terms of price, unfortunately, in terms of investment, I cannot provide you with the figures due to confidentiality issues. What I can say is this is, you know, with our internal cash flows, this is fully funded. you know, from the perspective of CEPSA.

>> JAIME CIFUENTES: Okay. Next question regarding the Ballenoil acquisition: "Could you please indicate when it is expected to obtain the competent approvals related to the transaction?"

>>CARMEN DE PABLO: Well, we expect this to be between the next 6 to 12 months, obviously, depending on how we progress with all the documentation, which we have already started, you know, to get the relevant approval.

>> JAIME CIFUENTES: "And could you please indicate what approvals are necessary to complete the acquisition?"

>>CARMEN DE PABLO: Yes, there are two approvals that are necessary to complete this transaction. One relates to competition authorities. And the second, we need-- We require, due to the composition of our shareholders', approval of foreign investment. And we expect, you know, to be successful in both.

>> JAIME CIFUENTES: There's one more question regarding Capex for 2023. So, "what is the level of investment we expect?"

>>CARMEN DE PABLO: Yes. And well, we had a slide in our presentation referring to our Capex evolution for the quarter-- For this quarter in particular and for the nine months where as you see, we are already investing 40% of our total Capex within sustainable projects. I think when we look at also the cash deployment and that's €439 million for the nine months, when you look at also our cash Capex that's been in an order of magnitude of around just above €500 million, we do not provide with a specific Capex guidance for the year as we didn't release anything at the beginning of this year, but it would be, you know, fair to assume that we should, now as we are making further investments, further, slightly accelerate during the fourth quarter our investment effort, and if you extrapolate this last quarter, then you would have, you know, the total figure for the year effectively.

>> JAIME CIFUENTES: Okay. There's one more question regarding our financial plan and it's related to the maturity of our bond issuance in 2025. “So, do we have any plans in the capital markets to refinance that one?”

>>CARMEN DE PABLO: So we, we are working of course on making sure that we can refinance our bonds when they are due and have different sources of funding, whether, if we see markets not being there, it is obviously our intent to continue to be in the capital markets. And, obviously, there is no specific timing to date. I think it's important to highlight the fact that we have €4.2 billion of liquidity that gives us no refinancing risks in the short term, even for these ‘25 bonds that are coming. And so, whilst we are working to be ready, at the same time, we will make sure that we see where the market is and have the opportunity, when we see it to maybe to tap on. But that's, you know, within our financing plans and well taken care of.

>> JAIME CIFUENTES: Thank you very much, Carmen. There doesn't seem to be any further questions. So, I think we can now conclude the presentation. In any case, you have our Investor Relations email address where you can contact us anytime for any questions you may have. Once again, thank you very much for your time. Goodbye.