



Cepsa

Q2 2023 Results
July 28th, 2023

CEPSA

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Today's presenters



Carmen de Pablo

CFO



Jaime Cifuentes

IR & Corporate Planning

Agenda

1. Q2'23 Highlights
2. H1 '23 Financial Performance
3. Closing Remarks





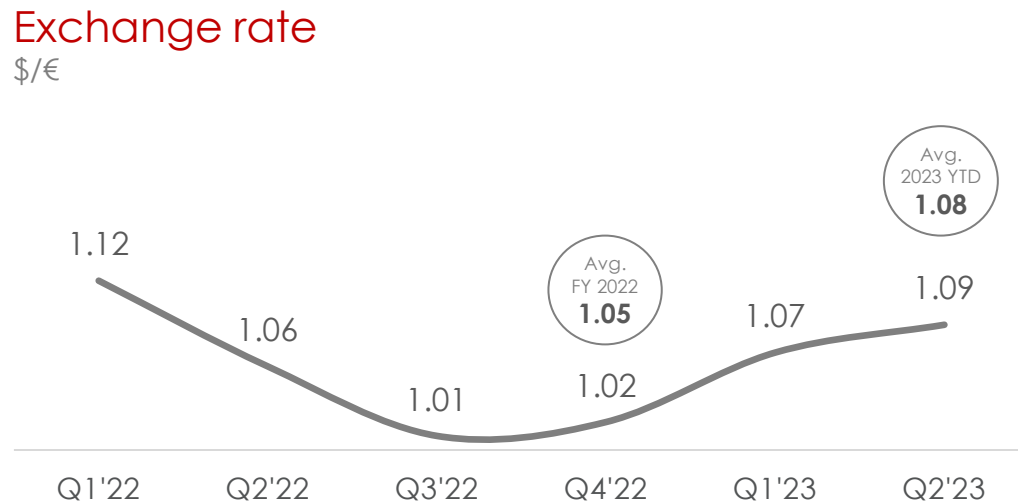
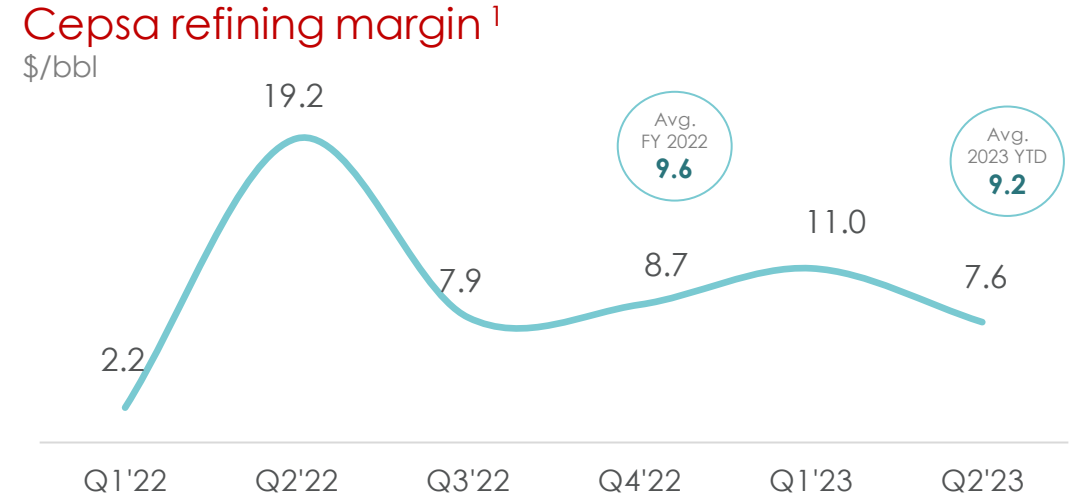
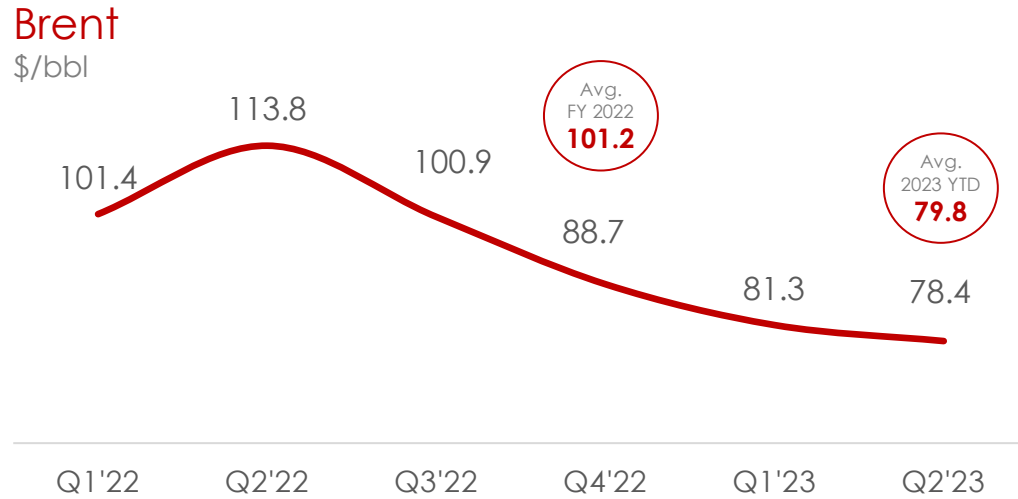
1. Q2'23 Highlights





Market environment

Lower crude prices and refining margins but still 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

Key highlights Q2'23

Solid operational performance during the quarter



FINANCIALS

€186m

Clean CCS
EBITDA

€214m

CFFO bf
working capital

1.4x

Leverage

€4.1 bn

Liquidity
Position¹

OPERATIONAL

7.6\$/bbl

Refining
Margin

91%

Refining
Utilization²

4.3mton

Commercial
Sales

32.4kb/d

WI Production



Figures on Clean CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories). Abu Dhabi included until March 15th 2023. From Q2'23 onwards, figures reported without AD. 1. Cash and undrawn committed and uncommitted facilities. 2. Utilization rates include distillation and intermediates products: calculated over throughput

Cepsa announces the construction of the largest Green Ammonia Plant in Europe to promote the first Green Hydrogen Maritime Corridor



*Two new agreements with **Yara** and **Gasunie***

The first green hydrogen maritime corridor between the ports of **Algeciras and Rotterdam**

Plant production capacity of **750,000 tons** of ammonia, which prevents **3m tons of CO2 emissions** per year

Gross investment of **€1bn** and new market development

The plant is scheduled to **start operations in 2027** and will be powered by **green hydrogen**

Yara will supply Cepsa with green ammonia to serve **industrial and marine customers** in Rotterdam

Gasunie agreement allows Cepsa to **access the green hydrogen transport network** in the Netherlands





Delivering on Positive Motion strategy

Rebalancing the portfolio towards sustainable activities

TAKING SUSTAINABLE INITIATIVES

DELIVERING ON THE STRATEGY

LEADING ECO-RESPONSIBLE PROJECTS

HELPING DECARBONIZING SOCIETY



Cepsa starts selling **sustainable aviation fuel** at Spain's major airports
July 2023



Cepsa Química will produce the **raw material** to manufacture hydroalcoholic gel of **renewable origin**
July 2023



Cepsa signs an agreement with **Grupo Ibereólica Renovables** to reinforce **renewable energy supply** for green hydrogen projects
June 2023



Cepsa and Volotea form partnership to propel **sustainable aviation**
June 2023



Delivering on Positive Motion strategy

Rebalancing the portfolio towards sustainable activities

COMMITTED TO ENERGY TRANSITION



Maersk, Renfe and **Cepsa** to carry out the first **2G biofuels test** in Spain rail transport
June 2023

BOOSTING DIGITALIZATION



Cepsa invests in the **digitalization** of its energy parks
June 2023

REINFORCING ESG COMMITMENTS



Cepsa and the Instituto Tecnológico de Canarias join forces to develop **biofuels from microalgae**
May 2023

BUILDING THE FUTURE
















Cepsa creates a joint venture with Bio-Oils to build the **largest 2G biofuels plant** in southern Europe
April 2023



Top performer in key ESG ratings

Leading positions in all major third-party ratings

ESG Rating	Positioning	Scoring	Remarks
	<p># 3 in our sector in Europe</p>	 <p>65¹</p>	<p>Achieved Advanced Category (highest category)</p>
	<p>Top 3% in our sector</p>	 <p>73²</p>	<p>Awarded with the Gold Medal</p> 
	<p>Top 5% in our sector</p>	 <p>71³</p>	<p>Awarded with the Industry Mover recognition by S&P</p> 
	<p># 1 in our sector for 3rd year in a row</p>	 <p>21.8⁴</p>	<p>ESG Industry Top Rated</p> 
	<p># 1 in our sector</p>	 <p>82⁵</p>	<p>Top rated O&G company globally</p>

1. Last update: 29 Jun 2023, ranking: Min 0 – Max 100; 2. Last update: 19 Jun 2023, ranking: Min 0 – Max 100; 3. Last update: 23 Sep 2022, ranking: Min 0 – Max 100; 4. Last update: 25 July 2023, ranking: Min 100 - Max 0; 5. Last update: 19 Jan 2023, ranking: Min 0 – Max 100



2. H1 '23 Highlights





Key highlights H1 '23

Cepsa continues to show resilient results and strong balance sheet

FINANCIAL

Clean CCS EBITDA of €742m

Cash flow from operations¹ of 580€m

Solid liquidity position of €4.1bn, covering 4.3 years of debt maturities

Net debt reduction to €2.5bn on the back of positive free cash flow generation

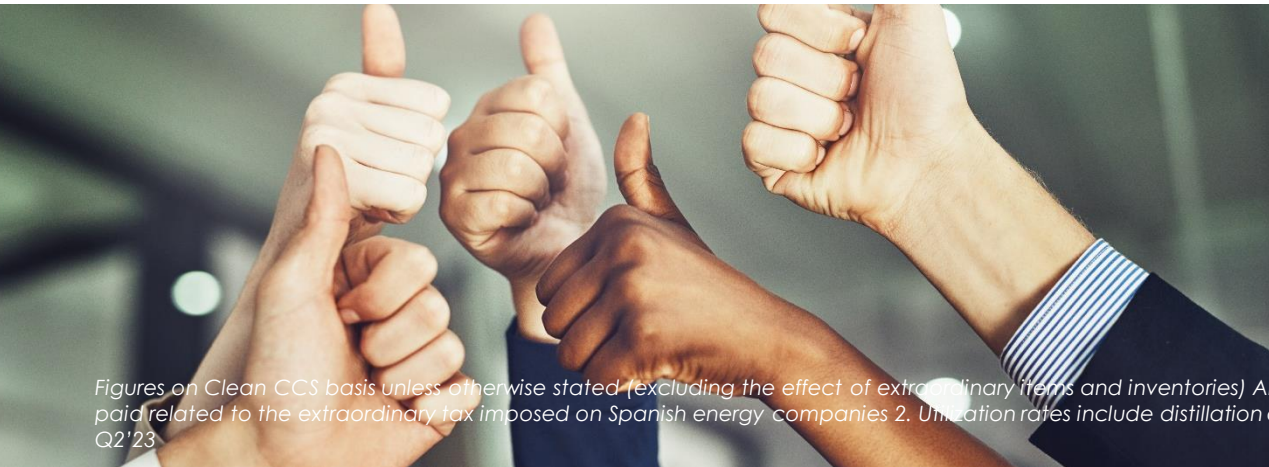
OPERATIONAL

Refining margin at 9.2 \$/bbl well above historical average

Refining utilization² at 88% in line with H1 '22

WI production³ of 52.0 kb/d

Commercial product sales of 8.4mton backed by enhanced fuel demand in Spain



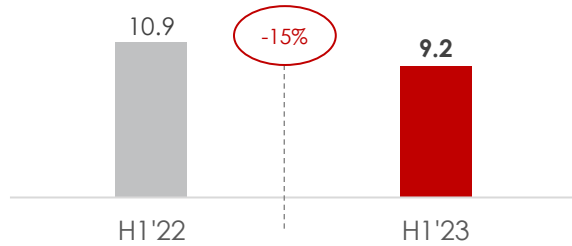
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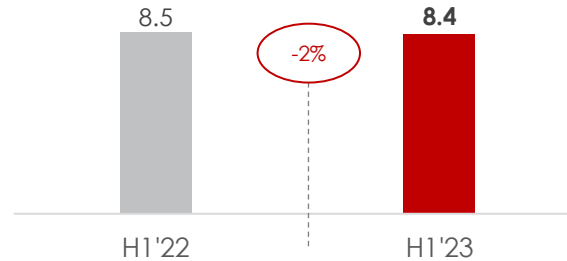
Business performance H1 '23

Solid operational performance in the period, although slightly below last year's figures

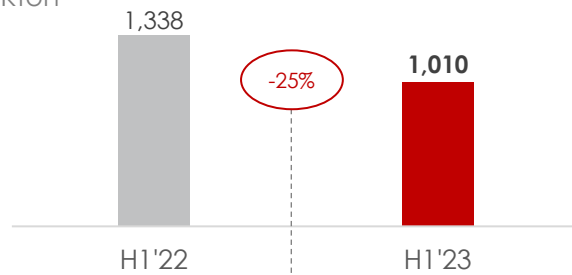
Refining Margin
\$/bbl



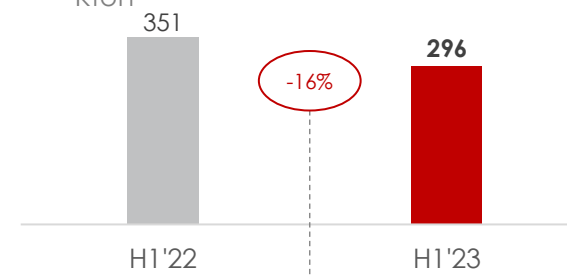
Commercial Product Sales
mton



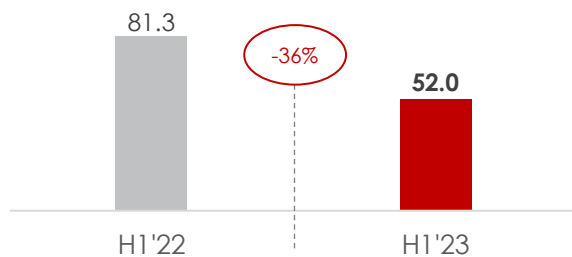
Chemical Product Sales
Kton



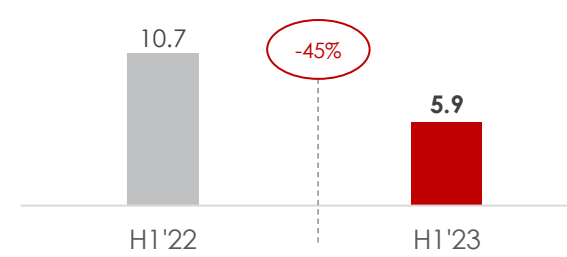
LAB Sales
Kton



Working Interest Production
kbopd



Crude Oil Sales
million bbl



YTD figures

Energy EBITDA
€326m

Chemicals EBITDA
€123m

Upstream EBITDA
€368m

Key financial metrics

Strong H1 '23 results following the change of perimeter after Abu Dhabi assets divestment

Key Financial Metrics (€m)	H1 '23	H1 '22 ¹
EBITDA	742	1,742
Net Income	145	463
CFFO ²	580	434
Organic Capex ³	(276)	(218)
	H1 '23	H1 '22 ¹
Net Debt ⁴	2,522	2,758
Total Liquidity ⁵	4,069	3,909
Leverage ⁶	1.4x	1.1x

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Organic cash flow generation

FCF generation impacted by higher capex payments, partially offset by lower working capital outflows



	Organic Cash Flow generation (€m)	H1'23	H1'22 ¹
+	EBITDA	742	1,742
-	Taxes	(328)	(563)
+/-	Other non-cash items	249	(353)
=	Cash flow from operations before WK²	663	826
+/-	Changes in working capital	(83)	(392)
=	Cash flow from operations	580	434
-	Organic Capex ³	(347)	(269)
=	Organic Free Cash Flow before financing	233	165
-	Interest and leases	(157)	(124)
=	Organic FCF²	76	41



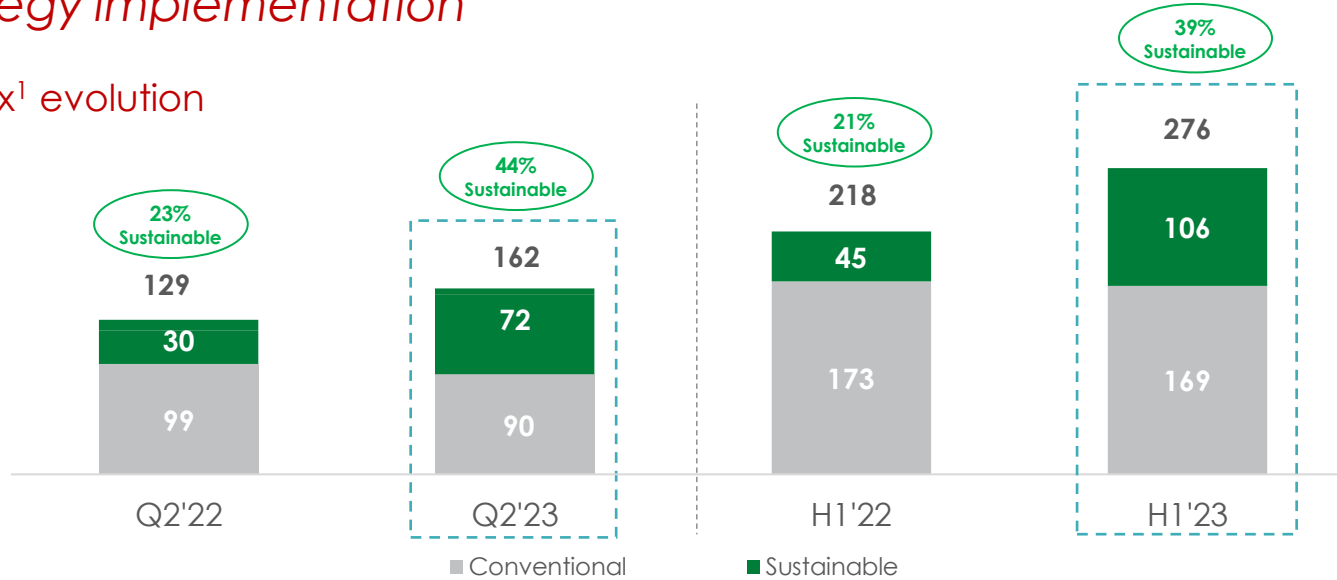
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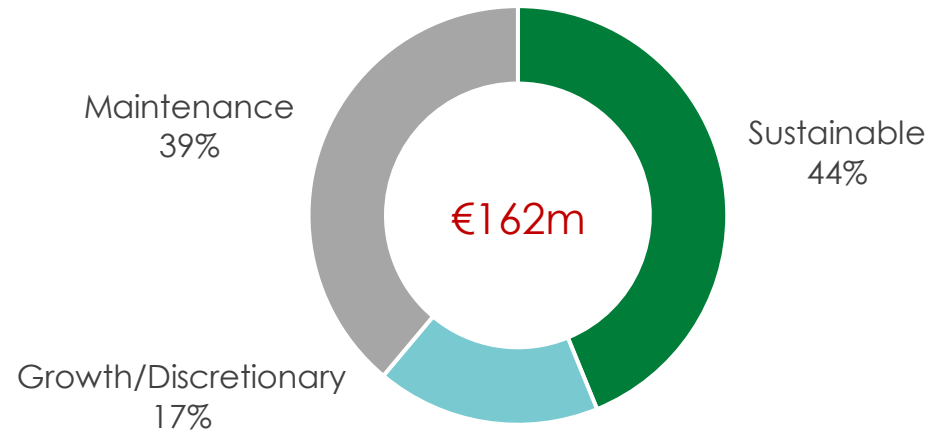
Capex evolution and breakdown

Significant growth in sustainable investments as Cepsa ramp up strategy implementation

Capex¹ evolution
€m



Capex¹ breakdown Q2'23
€m



Figures on Clean CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories). Abu Dhabi included until March 15th2023. From Q2'23 onwards, figures reported without AD; 1. Accounting capex



3. Closing Remarks

Closing Remarks

Solid H1'23 results and significant delivery of Positive Motion strategy

- **EBITDA of €742m in H1'23** following Abu Dhabi assets divestment
- Cepsa continued to execute its Positive Motion strategy, with meaningful increase in **H1'23 Capex to €276m, of which 39% were devoted to sustainable projects**
- **Cepsa plans to build the largest green ammonia plant in Europe with a €1bn gross investment and has initiated the sale of SAF at four of Spain's main airports**
- **Cepsa creates a JV with Bio-Oils to build the largest 2G biofuels plant in southern Europe**
- **Net debt reduction to €2.5bn¹**
- **Solid liquidity position of €4.1bn², covering 4.3 years of debt maturities**

Figures on Clean CCS basis unless otherwise stated (excluding the effect of extraordinary items and inventories). Abu Dhabi included until March 15th 2023. From Q2'23 onwards, figures reported without AD; 1. Net Debt excluding IFRS16 2. Cash and undrawn committed and uncommitted facilities.



WELCOME TO

POSITIVE
MOTION





Cepsa

Q2 2023 Results
July 28th 2023

