



Cepsa

Q1 2022 Results
April 26th, 2022

CEPSA

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Today's presenters



Carmen de Pablo

CFO



Gonzalo Sáenz

Head of Finance

Agenda

1. 2030 Strategy Highlights
2. Key Highlights & Business Units Overview
3. Financial Results
4. Closing Remarks

POSITIVE MOTION

*Lead in sustainable
mobility and energy
to create value
and a brighter
future for all*





1. 2030 Strategy Highlights

Cepsa 2030 Strategy – ‘Positive Motion’



Three successful businesses

LEADING GLOBAL
CHEMICALS
PROVIDER



FIRST CLASS
ENERGY
BUSINESS



DIVERSE LONG
LIFE E&P
PORTFOLIO



Transform Energy business to profitable energy transition leader

Maximize value from growing Chemicals and long-life E&P business

First Class Energy business



Sustainable Mobility & New Commerce

Cepsa will build the largest **e-mobility ecosystem** in Spain and Portugal

Providing to customers together with Endesa, a **360° charging offer from home to ultra-fast on-the-go**



Leader in green hydrogen

Cepsa will lead the green hydrogen production in Spain and Portugal with **2GW production by 2030**

By **2030, 70%** will be dedicated to the decarbonization of our customers



Leader in 2G biofuels

Cepsa will be a leading biofuels producer in Spain and Portugal with **2.5 million tons capacity by 2030**

Leaders in SAF by 2030 with **0.8 Mt per year**



Renewable energy projects

7GW renewable energy projects pipeline (solar and wind) by 2030

Representing around **15%** of solar energy production in Spain

1.5GW already achieved grid connection

Strong carbon commitments to address climate change



Scope 1 & 2

55%

Emissions reduction by **2030** vs 2019 and **becoming Net Zero before 2050**

Scope 3

15-20%

Carbon intensity index reduction by **2030** based on products sold vs 2019 and **becoming Net Zero before 2050**

Creating value for credit & shareholders

Robust cash flow generation

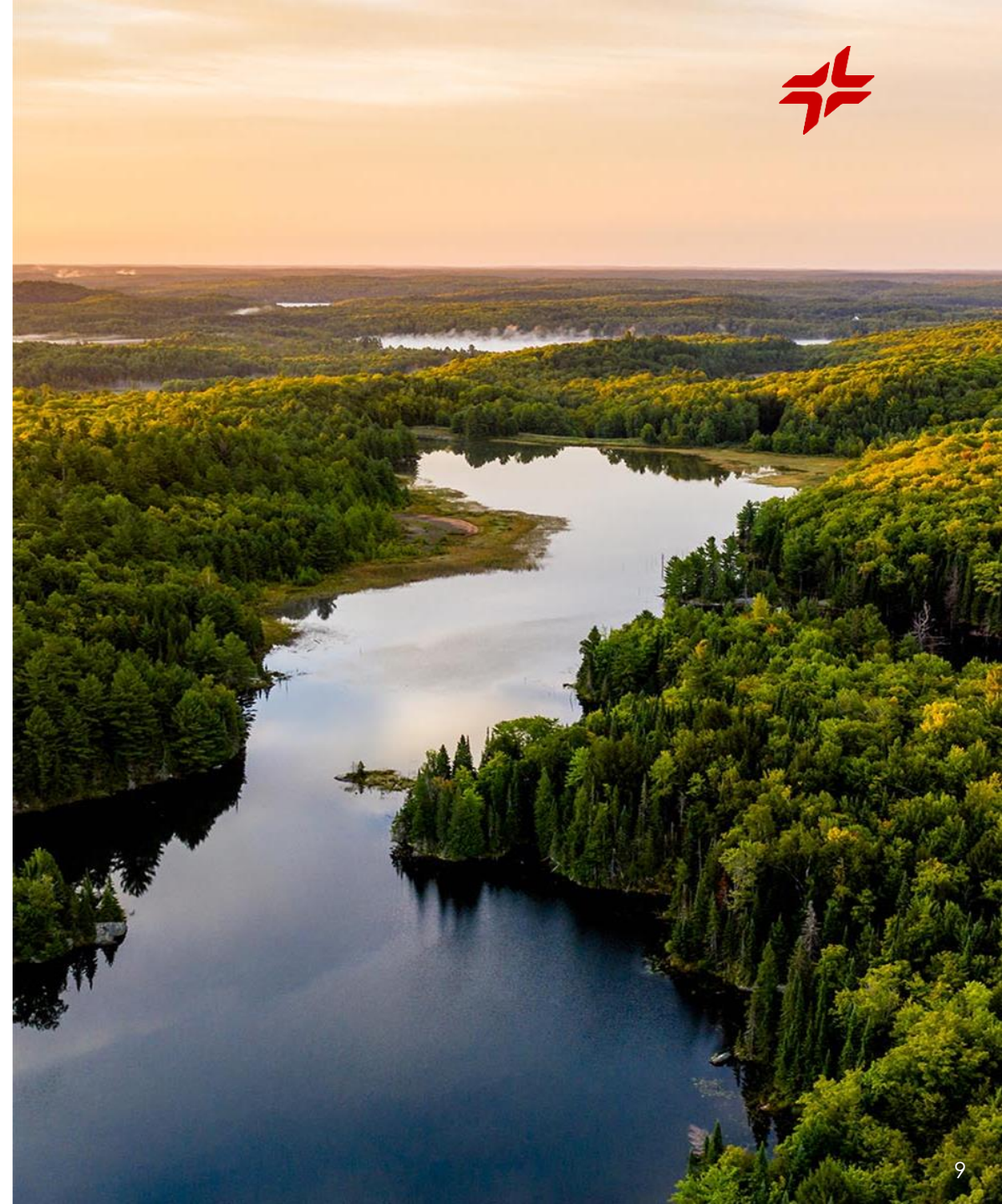
Self-financed and growing FCF profile

Clear capital allocation strategy

>15% average new projects IRR

Strong balance sheet

Investment grade profile



Creating value for credit & shareholders



*Our Investment over
the decade*
7-8 Billion euros

More than
60%
sustainable

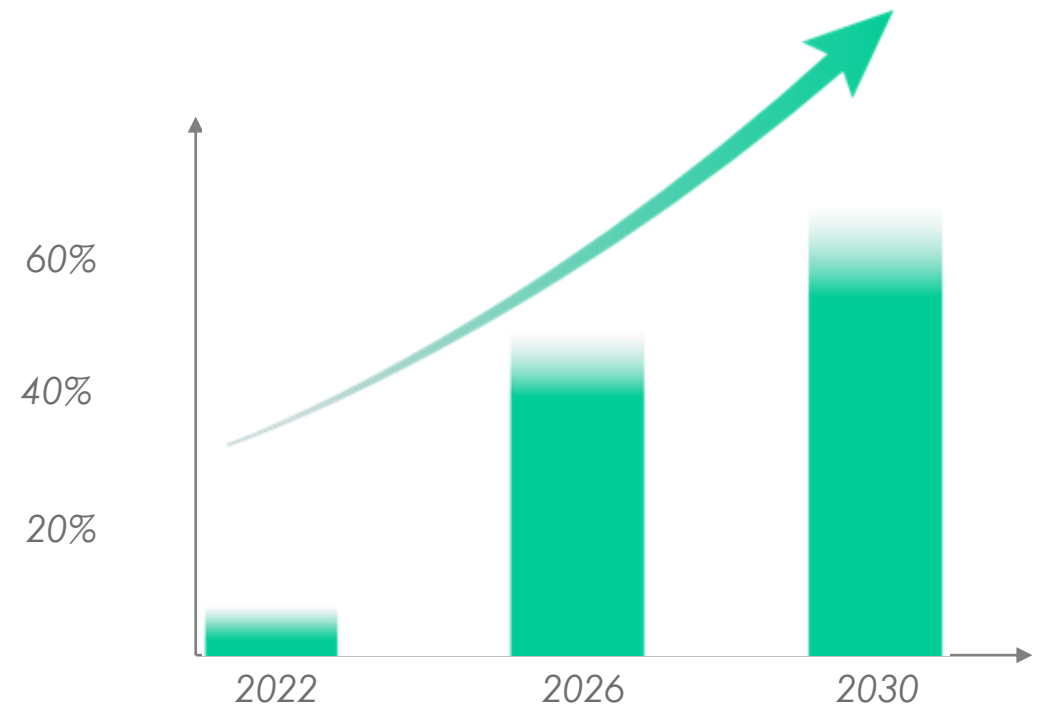


Cepsa in Positive Motion



Majority of
EBITDA
**sustainable
before 2030**

Sustainable EBITDA growth





2. Key Highlights & Business Units Overview

Key highlights

Results marked by market price volatility



FINANCIAL

Strong EBITDA of €605m, +87% growth vs Q1'21 and +29% vs Q4'21

Free Cash Flow ex-WC¹ of €60m (-55% vs Q1'21)

Solid liquidity position of €3.4bn, covering 4.5 years of debt maturities

Significant deleverage in last twelve months, from 3.3x in Q1'21 to 1.5x²

OPERATIONAL

Refining margin at 2.5 \$/bbl (+33% vs Q1'21), affected by high energy costs

Refining utilization at 83% (+23% vs Q1'21), although below Q4'21 figure

Commercial sales increased by 14% vs Q1'21, although still below 2019 figures

WI production increased by 13% vs Q1'21 to 81.5 kb/d



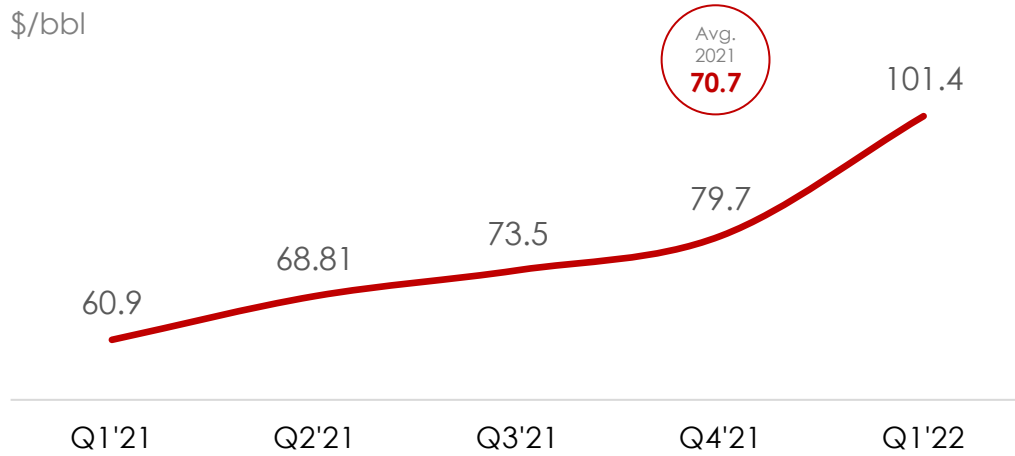


Supportive market environment

Supportive but volatile market environment

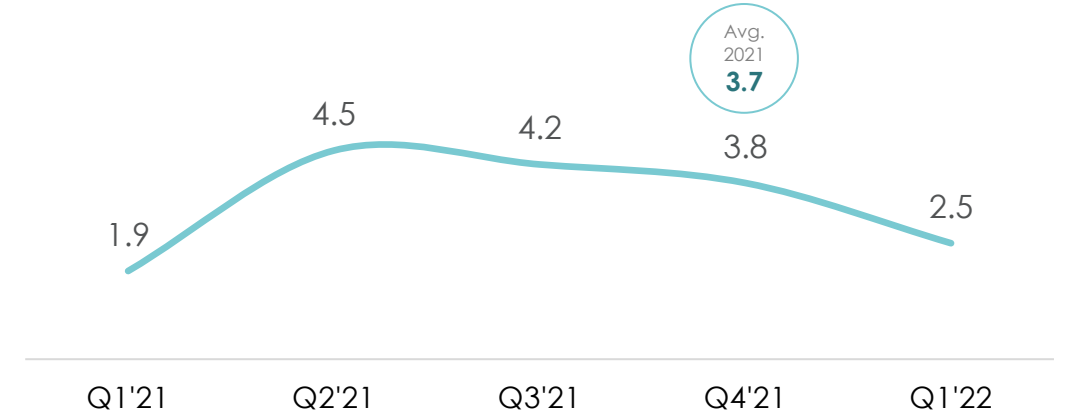
Brent

\$/bbl



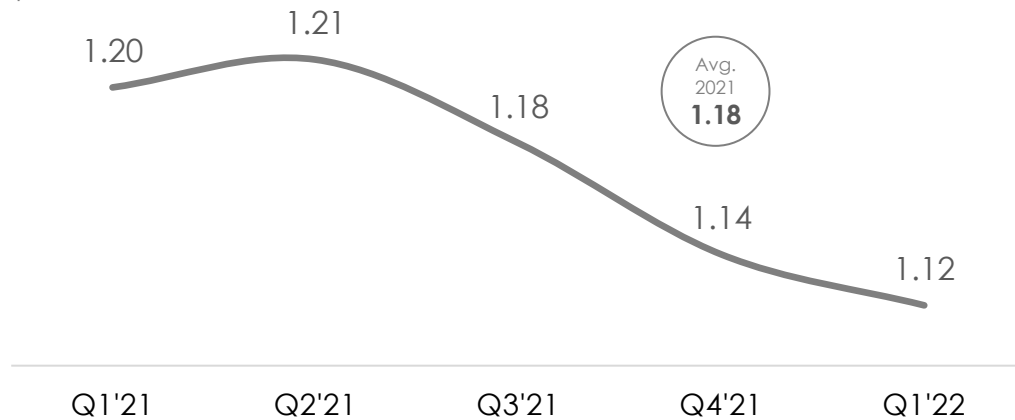
Cepsa refining margin ¹

\$/bbl



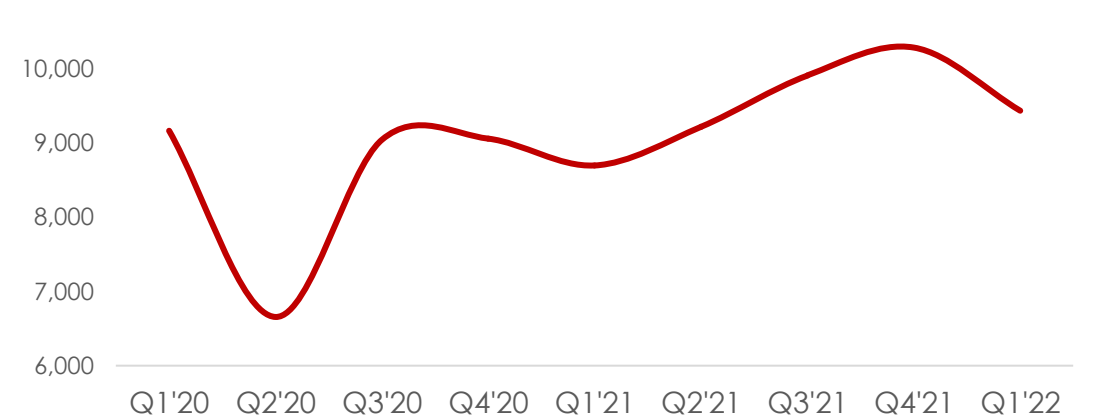
Exchange rate

\$/€



Fuel demand in Spain ²

1,000m³



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

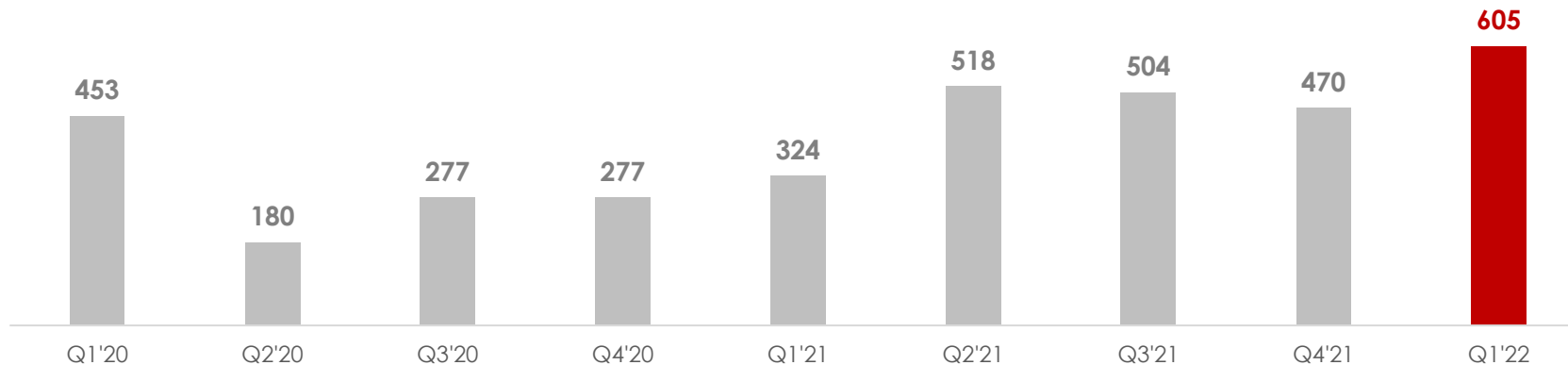


EBITDA evolution by business

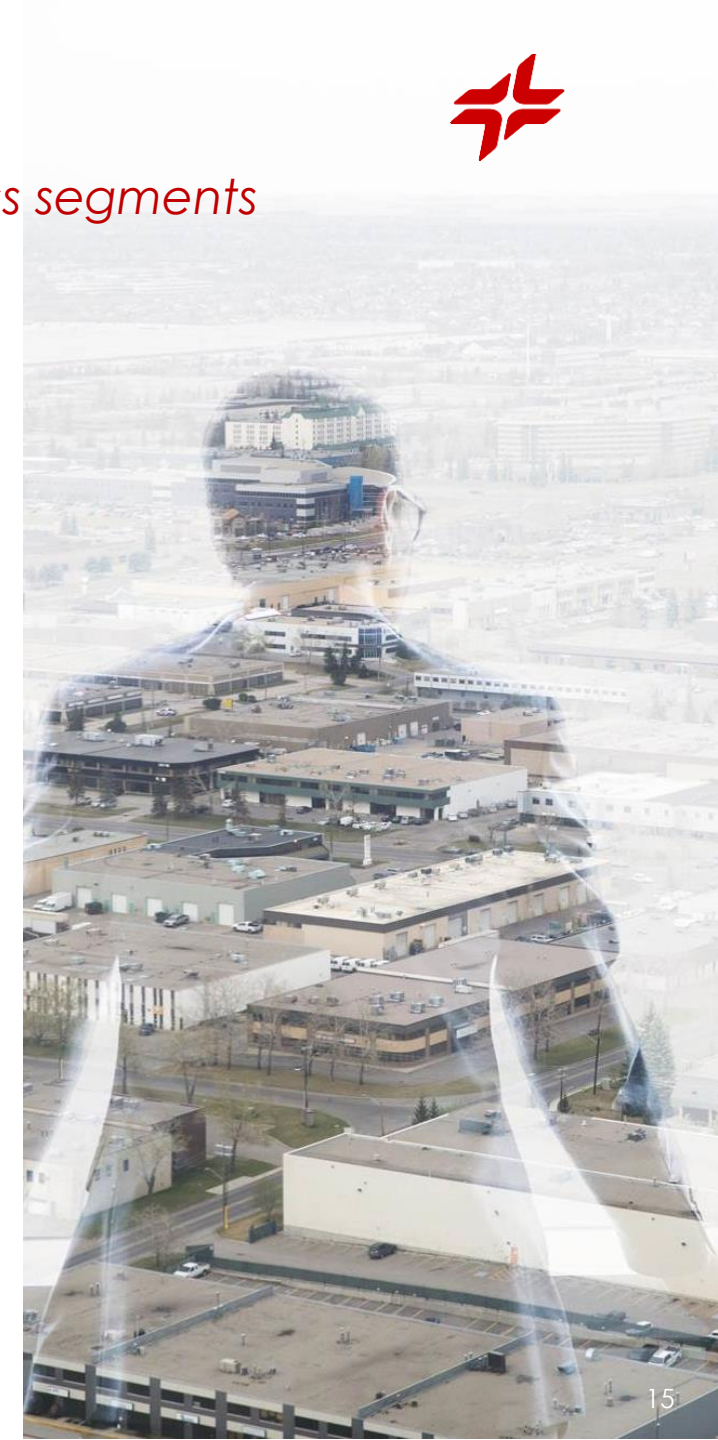
Strong EBITDA generation thanks to solid and improved results in all business segments

CCS EBITDA by business (€m)	Q1'22	Q1'21	Q4'21	Q1'22 vs Q1'21
CCS EBITDA	605	324	470	87%
Energy	143	88	108	62%
Chemicals	110	100	106	10%
Upstream	384	171	290	124%
Corporate	(32)	(35)	(34)	(10%)

Quarterly CCS EBITDA evolution (€m)



Figures on CCS basis unless otherwise stated

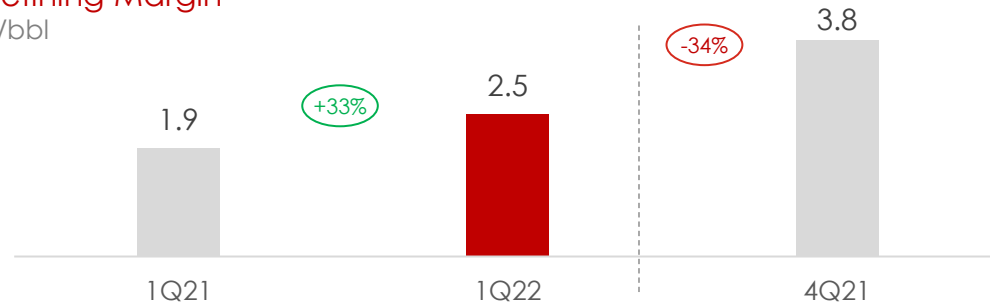




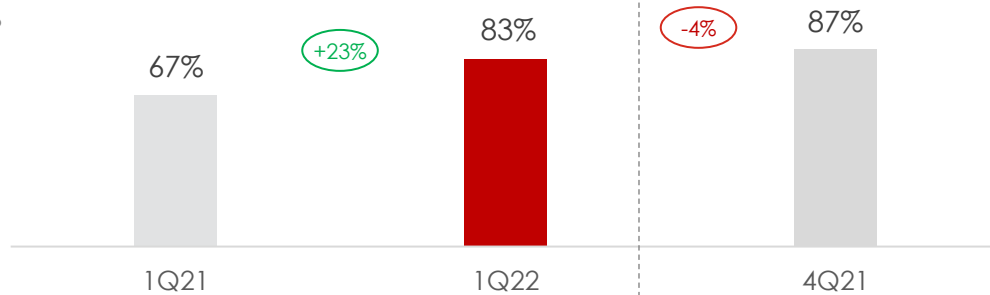
Energy

Energy Parks affected by high energy prices. Commercial volumes impacted by transportation strike

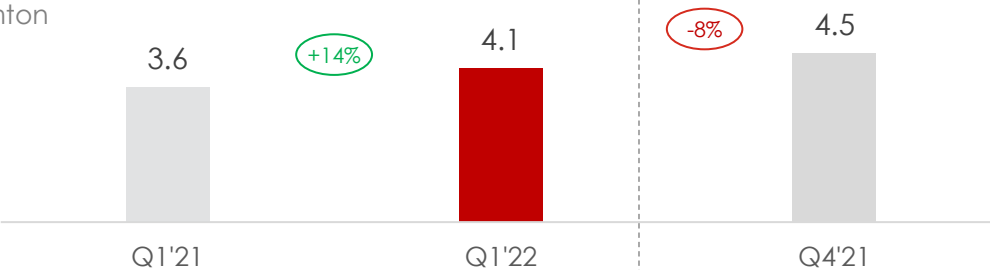
Refining Margin¹
\$/bbl



Utilization Rate
%



Commercial Product Sales
mton



YTD 2022 figures

EBITDA

€143 m

Refining Margin

2.5 \$/bbl

Commercial Product Sales

4.1 mton

Figures on CCS basis unless otherwise stated 1. Corresponds to a variable cost margin after crude differentials, freight and corporate group allocations, including natural gas costs at TTF

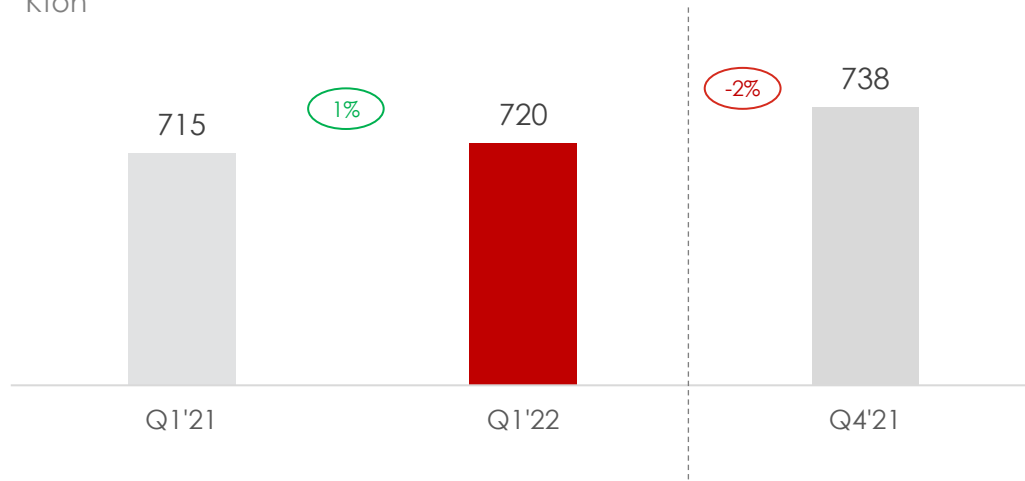


Chemicals

Solid results on the back of continued pricing and volume optimization initiatives

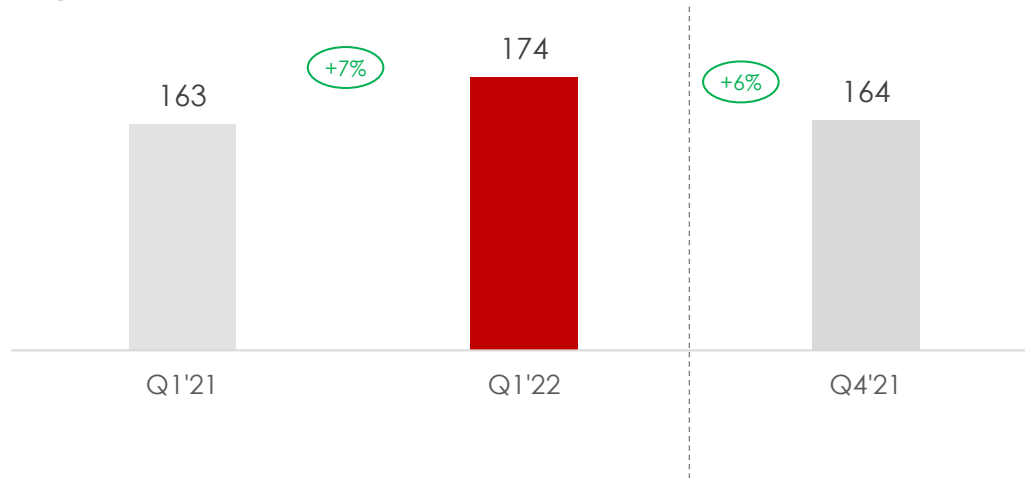
Petrochemical Product Sales

Kton



LAB Sales

Kton



YTD 2022 figures

EBITDA

€110 m

Total Sales

720 kton

LAB Sales

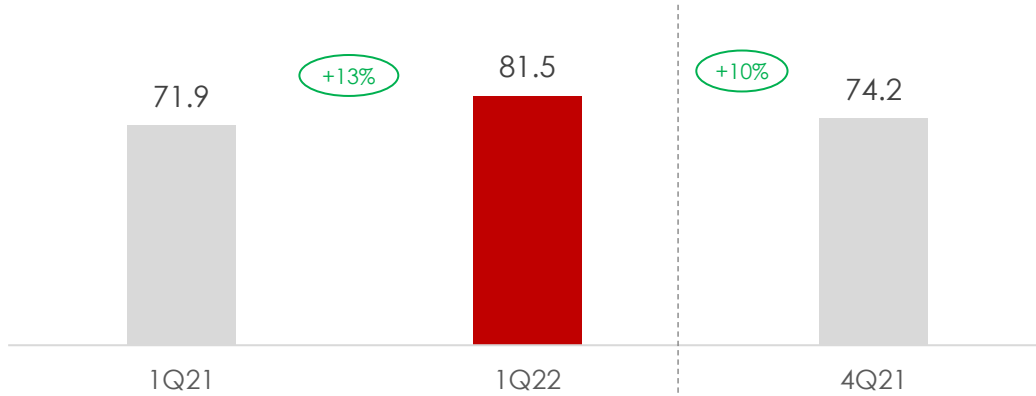
174 kton



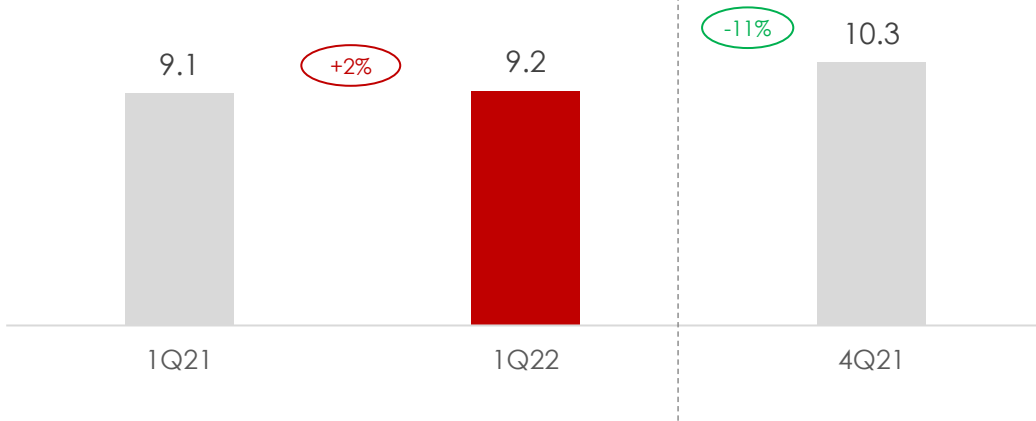
Upstream

Continued strong performance boosted by higher crude prices

Working Interest Production kbopd



Upstream Opex \$/bbl



YTD 2022 figures

EBITDA

€384 m

WI Production

81.5 Kbpod

Reserves/ Prod.

17 years



3. Financial Results

Key financial metrics

Continued deleveraging on the back of improved business metrics



Key Financial Metrics (€m)	Q1'22	Q1'21	Q4'21	Q1'22 vs. Q1'21
CCS EBITDA	605	324	470	87%
CCS Net Income	58	53	15	9%
Capex ¹	(89)	(104)	(163)	(14%)
Free cash flow ex-WC ²	60	136	286	(55%)
Net Debt (excl. IFRS16)	2,918	3,032	2,759	(4%)
Total Liquidity	3,362	4,485	3,476	(25%)
Leverage (excl. IFRS16)	1.5x	3.3x	1.6x	-1.8x





Cash flow generation and Debt overview

FCF impacted by increased taxes related to higher crude prices

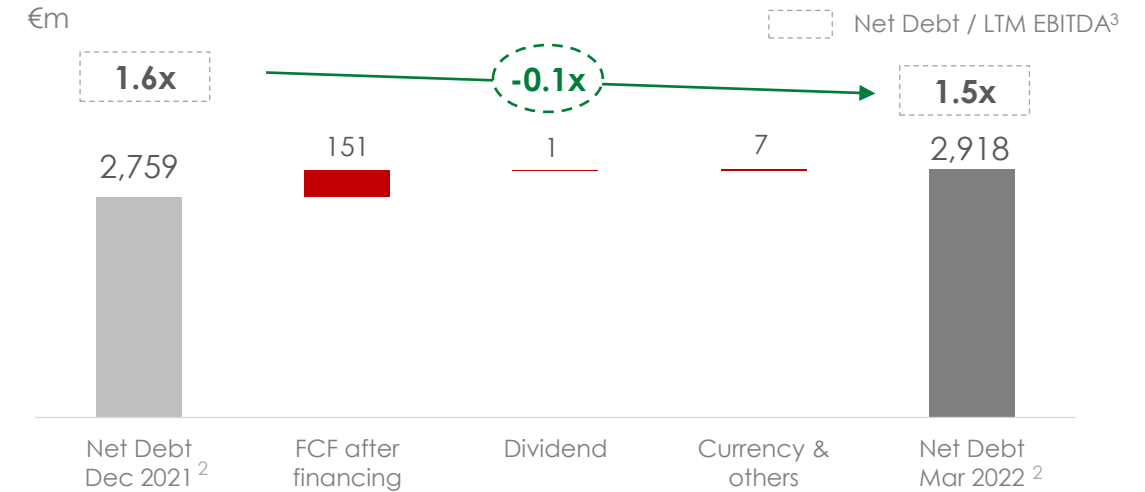
Cash Flow generation

€m

	Q1'22	Q1'21	Q4'21
+ EBITDA	605	324	470
+/- Working capital variation	(149)	(230)	(290)
- Taxes, dividends from associates, and other adjustments to EBITDA	(400)	(15)	(170)
= Cash flow from operations	56	79	11
- Net Capex payments	(145)	(174)	(15)
= Free cash flow	(89)	(95)	(4)
- Financing activities ¹	(62)	(56)	(52)
= FCF before dividends	(151)	(151)	(56)

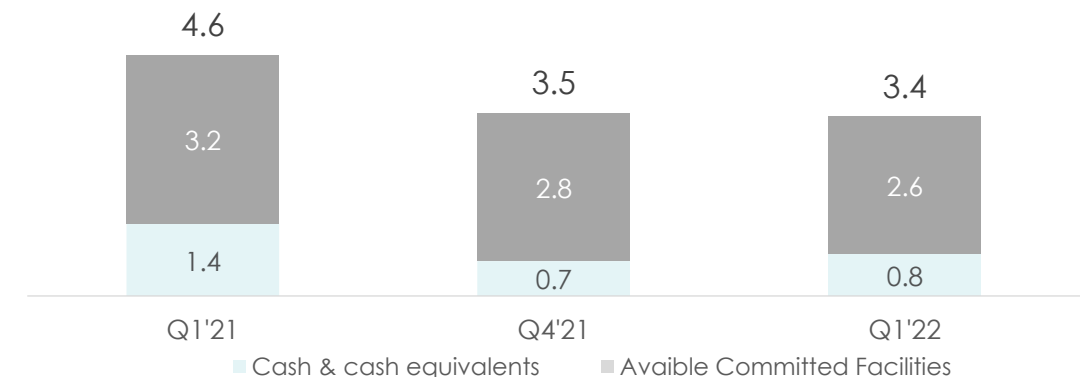
Net Debt evolution Dec 21 – Mar 22

€m



Solid Liquidity Position

€bn

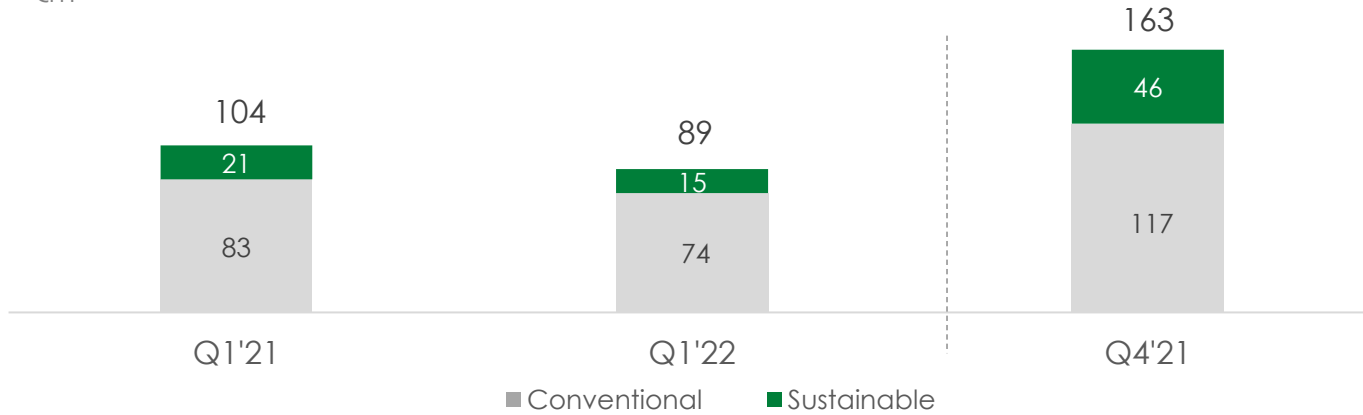




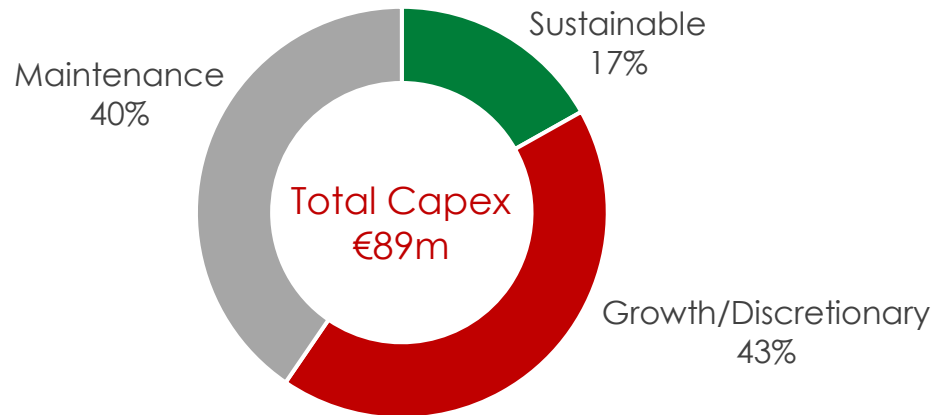
Capex evolution and breakdown

Continued investments in growth whilst preserving operational excellence of assets. Sustainable capex already at 17%

Capex evolution
€m



Maintenance/Growth Capex Q1'22
€m





4. Closing Remarks

Closing Remarks

Solid Q1 '22 Performance

- EBITDA of €605m, an increase of 87% vs Q1 '21
- Free Cash Flow ex-WC¹ of €60m
- Significant reduction in leverage² to 1.5x from 3.3x in Q1 '21
- Solid liquidity position of €3.4bn, covering 4.5 years of debt maturities
- New 2030 Strategy, 'Positive Motion' to become a leader in sustainable energy, e-mobility and a benchmark in energy transition

Refining margin of
2.5 \$/bbl
vs. 1.9\$/bbl of Q1'21

Utilization rate of
83%
vs. 67% of Q1'21

Commercial sales of
4.1 mton
vs. 3.6 mton of Q1'21

Chemical sales of
720 kton
vs. 715 kton of Q1'21

WI production of
81.5 kbopd
vs. 71.9kbopd of Q1'21



Clean CCS EBITDA
€605m
vs. €324m of Q1'21

FCF ex-WC¹
€60m
vs. €136m of Q1'21

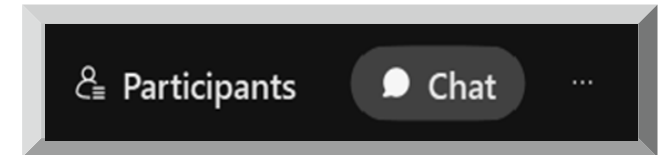
Leverage²
1.5x
vs. 3.3x of Q1'21

Liquidity
€3.4 bn
vs. €4.5bn of Q1'21

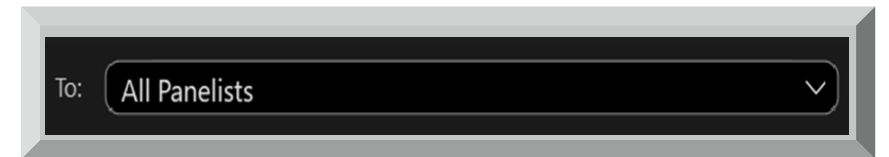
Ask your questions online



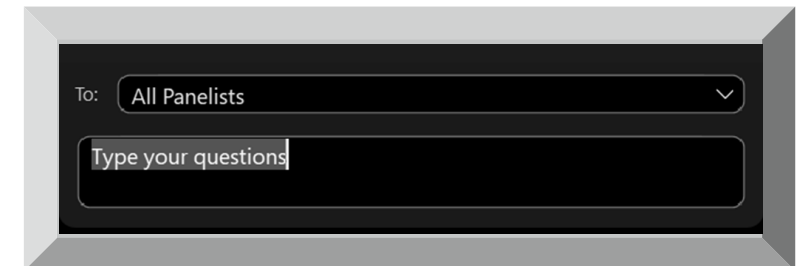
1. Event chat is located at the bottom right-hand side of the screen



2. Change field "To" from "Organizer" to "All panelists"



3. Once the addressee is changed to "All panelists", you may ask your questions





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Thank you

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