2022 FULL YEAR RESULTS

Thursday 16 March 2023

Jacques Riou: Ladies and gentlemen, good evening and thank you for taking the time to be with us: we very much appreciate it. The venue for this meeting is in a demonstration zone, and only the stubborn, brave and lucky few have been able to reach us. My thanks and congratulations to them.

Along with Clarisse Gobin-Swiecznik, Bruno Krief and Fred Royer, I am pleased to present the Rubis Group's results for financial year 2022.

After a few introductory remarks, I will give the floor to Clarisse, who will explain in greater detail the operational components of this financial year, and Bruno will present the translation of this operational performance into financial terms. We will then welcome as *guest star* Fred Royer, who is joining directly from Dubai, and is responsible for the Bitumen business, having previously held management responsibilities in other important subsidiaries of the Group, to talk to us about the beauties of his profession. After a few words of conclusion and summary by Clarisse, we will finally endeavour to answer your questions.

OUR BUSINESS LINES AND MARKETS

I am particularly pleased to present these results today because financial year 2022 has enabled us to achieve 3 objectives which I see as structural.

The first goal we had was to break the all-time record set in 2019, after two years during which Covid forced us to tread water for a bit. We have clearly exceeded our record performance from 2019 in terms of EBITDA, EBIT and adjusted net income.

The second objective of central importance to us was achieving a united Group structure. We have succeeded in this, after integrating Photosol into the Group, one of France’s leaders in generating photovoltaic electricity. We consider this structure to be a solid foundation for our continued development in the long term, as it enables us to offer our various customers the energy solutions they need, whatever their customer base, whatever their market segment, whatever the geographies in which they operate and the regulations that are connected with them.

The third objective, meanwhile, is recurring, but a priority nonetheless: in the end, after the external growth arising from Photosol in April 2022, after more than €200 million in investments and taking into account a dividend that will be proposed to the General Meeting also amounting to around €200 million, Rubis' balance sheet remains extremely solid, with debt that does not exceed twice the EBITDA, and even lower *Corporate* debt. This is a constant objective in our Group. Moreover, liquidity is an extremely important topic for us every year, especially when banking systems are occasionally in flux. We hold more than €400 million in confirmed credit lines, which enables us to see things calmly, including for possible external growth operations.

A word about the Group's fundamentals as they stand today, which are those that have fuelled the Group's growth for many years. We are talking primarily about energy. The energy business is supported by extremely powerful and profound fundamentals, such as demographic changes, particularly in regions such as Africa and a large part of the Caribbean, like the different Guianas. They are also supported by a move towards urbanisation, a movement that is prompting, demanding and producing a manifold increase in mobility and the creation of multiple infrastructures. We should also mention the energy transition, a crucial and exciting topic, which entails as many risks as it does opportunities. Lastly, we are seeing numerous economic changes. These energy needs, whether in terms of volume or in terms of a shift towards new energies, are absolutely growing, and in certain fields, such as new energies in Europe and particularly in France, some very considerable development plans have been set out.

We meet basic needs, which are naturally sensitive to price, but only relatively so, such as cooking, the production of hot water, heating, all forms of mobility and, beyond that, the needs of agriculture, industry and commerce.

In this universe, we can draw on a number of strengths, the first of which is LPG, a historical Rubis product, which is also a transitional solution in the field of energy that is perfectly suited to mature regions such as Europe for rural and peri-urban areas, where it is quite difficult to find substitutes, and which is also perfectly attuned to the other regions in which we operate, notably in Africa, where, paradoxically, LPG has a favourable effect on the environment, since it replaces charcoal. This is the case in the countries where we operate. Many countries are implementing governmental policies to encourage LPG for this excellent reason, to combat deforestation, as charcoal is a major cause of deforestation, but also to combat lung disease, for obvious reasons stemming from the use of charcoal stoves in housing.

The second family of products on which we are solid is that of conventional fuels, around mobility, industry and agriculture. Naturally, we take care to substitute biofuels for conventional fuels whenever we have the opportunity to do so. The production itself is not in our hands, it is the oil companies and the refiners that have to increase the availability of these products in an industrial way. This process is underway.

Our third asset is renewable electricity, specifically photovoltaic as far as we are concerned, which is a great growth segment in mature markets - I'm referring to Europe and France - and which will certainly be a complementary growth segment in emerging markets.

Next is bitumen, a business that is underpinned by the growth and the huge needs in infrastructure that are emerging in a very large number of countries where we operate. This is a product that has carbon-based production, but not carbon-based use.

Lastly, we are active in Storage through a JV with an American fund, Rubis Terminal, in which we control 55%. This business is characterised by a logistical component like any oil, chemical or food product. When economies grow, they naturally need more logistics. However, storage is just as important to them, because when the economy deteriorates and logistics flows are disrupted, more storage is needed. That's what we've been seeing in recent years, and it is for this reason that the business has been growing at around 5% a year, with or without Covid, whether the economy is buoyant or not.

More conceptually speaking, our vision of value creation is as follows. The significant cash flows generated by Rubis Énergie, and therefore our traditional businesses, make it possible to finance investments in these same businesses, to pay for dividends that have been constantly on the rise for the last 20 years and probably more, and which also make it possible to finance growth levers in renewables, it being understood that the major part of the investments in renewables planned for the years to come will be largely self-financed.

We adjust the way we apply these principles in accordance with each of the major zones in which we operate. In Africa, apart from LPG, we are particularly well established in bitumen, and also in East Africa, around Kenya, where we invested three years ago. We are working with Photosol to develop combined offers associating traditional products and photovoltaic products. In the Caribbean, the markets are very fragmented and it is essential to have fine-grained logistics. In these fields, new decarbonised products are being developed with the company Hydrogène de France (HDF) through projects with integrated hydrogen storage to deliver 24-hour decarbonised electricity. Lastly, in Europe, since our decision to invest in Photosol, in terms of asset value, we have mainly focused on renewable assets. Our other flagship product remains LPG. We expect high growth rates in Europe in relation with what we all know about government policies in this area and the mechanisms in place to attract investments.

<u>2022 Highlights</u>

The Rubis Group is showing strong resilience to all shocks. Each year, we experience completely different situations with the same parameters. This year, we experienced an inflation shock, an interest rate shock, a shock on the currency markets in many of the countries in which we operate, and finally a shock on the prices of oil products, since we, like our customers, experienced a doubling of prices during this period, with a price of more than 1,000 euros or dollars per cubic metre, something which had never happened before. The price parameter is a major drawback in professions such as ours.

However, EBIT for the financial year, at €509 million, grew by 30%. Margins were very high. To pass on a number of foreign exchange losses to the markets in certain countries, we have communicated to the market not only about the increase in the price of products, but also the loss of opportunity suffered due to distortions and imbalances on the currency markets. Adjusted for that effect, EBIT growth amounted to 21%, which remains extremely high.

Adjusted net income, Group share, showed growth of 11%. The adjustment concerns the recognition of an impairment loss on Haiti on the one hand, and the acquisition costs of Photosol on the other.

Lastly, the balance sheet is solid with an EBITDA multiple of 2 at most and 1.5 on *Corporate* debt.

In terms of renewables, we are extremely satisfied with the integration of Photosol into the Group. We found the teams to be of high calibre and see that they have integrated very well. Our collaboration is very effective. These teams are adapting remarkably well to the transition to a company listed under IFRS, which deserves to be emphasised, with newly-activated CSR programmes, while at the same time working on their growth, as reflected in the increase in pipelines, a first Corporate PPA signed with Leroy Merlin, and the acquisition of a very successful Mobexi team, which opens up access to the roofing and shading market segment for car parks. With the new Acceleration Act, this segment is destined to develop on surfaces that are closer to the smallest projects undertaken by Photosol in its usual form. Significant work has been continued on CSR, with a roadmap. We have extended the objectives beyond scopes 1 and 2 to scope 3A. We have signed the first loans with references on carbon footprints. This work is continuing and will naturally go on, because it is fundamental.

Lastly, we will propose a dividend of €1.92 at the General Meeting, i.e. a little more than a 3% increase.

The EBITDA and EBIT growth rates are very high compared to 2019, which was the target to beat. Adjusted for exchange rates, the rates are slightly lower, but they remain above 20%. As pertains to net income, we stand at €263 million, i.e. a decrease of 10%, but adjusted as indicated previously, the increase is respectively +11% compared to 2021 and +9% compared to 2019. Adjusted earnings per share were up by 10% from 2021 and 5% from 2019. I have already talked about the dividends and debt ratios. Investments amounted to €259 million, including €40 million in Photosol through Rubis Renewables. At present, our investments have taken us to a stake of nearly 20% in the renewable energies and decarbonisation pieces.

I will now hand over to Clarisse to continue our presentation.

BUSINESS PERFORMANCE

Clarisse Gobin-Swiecznik: Good evening, everyone. Thank you for your attention. First of all, I would like to remind you that today, the Group operates in 3 business lines:

- Energy Distribution, through the Rubis Énergie entity: the Retail & Marketing and Support & Services pieces will be grouped together in the Distribution business from 2023;
- Renewable Electricity Production, through our new entity, Rubis Renouvelables, which accounts for 80% of Photosol and our 18.5% stake in HDF Energy;
- Storage of bulk liquid products, carried out by our Rubis Terminal JV.

Rubis Énergie

Our LPG, fuel and bitumen distribution businesses delivered very solid performance in 2022, with strong EBIT growth and cash flow generation that remained stable overall. As already mentioned at previous presentations, our investments in these activities are significant and focus on our two major growth drivers, namely the bitumen operations and the upgrading of our service station network in East Africa. However, these investments remain under control nonetheless, illustrating the control we have over our costs, as they vary by only a few percent over 2022 and have been stable for a few years now. 2022 was a busy year for Rubis Énergie with regard to environmental issues. In line with what we had announced, we deployed an internal carbon pricing methodology adapted to our geographical areas which aims to support us in our decision-making, whether for investments or for equity investments. We also completed the work we started on identifying our scope 3A emissions and defining a related objective. This target pertains mainly to outsourced road and sea transport, which accounts for about 50% of our 3A emissions. We have set it at -20% by 2030 compared to the 2019 baseline.

Before going into the details of activities by geographical region, you will note that growth comes mainly from the two drivers that I mentioned previously: our locations in Africa and the Caribbean.

The leading region in terms of EBIT generation for the Group, **Africa** posts a contribution that reached 52% of the Retail & Marketing activity. In 2022, it saw a significant increase in its profitability, though this may not be so clearly discernible due to currency-related effects, particularly in Nigeria. Excluding these effects, the EBIT grew by 20% over the year. This strong performance underscores the effectiveness of our investment plan in East Africa, which has enabled us to improve our network and streamline our customer portfolio, thus pulling profitability up.

With regard to **bitumen**, on which Fred Royer will return in detail later, business held up very well and in particular saw significant growth in South Africa, where our operations started at the end of 2021. Nigeria was slowed down at the end of the year, particularly in the run-up to the election period, but has already picked up again now that the elections are over. With regard to development projects, we have started to solarise some of our sites in Madagascar and East Africa. The levels of electricity generation remain anecdotal for the moment but constitute a first step towards the development of solar energy in these areas. We have approximately 300 kWp of installed capacity today. We worked hard this year to secure partnerships that will enable us, in the near future, to offer combined solar/fossil historical products integrating a renewable component for our business customers.

With regard to the **Caribbean** region, which accounts for around 34% of Retail & Marketing's EBIT, volumes reflected strong momentum at +13%, excluding the effect of Haiti. The economy has indeed recovered well in the region, and aviation is growing rapidly, driven by tourism. This translates into excellent performance with EBIT at +62% over the period. We continue to invest in order to improve our service station networks and are seeing the benefits of this policy, as NFR or non-fuel revenues, are increasing at a steady pace, as is also the case in Africa. In Haiti, the general context remains extremely difficult, but our operations are continuing, under degraded conditions. Our priority today is really the safety of our staff. The overall state of our business and of the country in general has led us to note a depreciation of our *goodwill* for €40 million this year. We very much hope that the situation will improve in 2023. With regard to the prospects in the Caribbean region, we have been working for several months, or even several years, with **HDF Energy** to develop various projects: a first project in French Guiana which is under construction and a second project in Barbados in which we have taken out a 51% stake. This technology, which combines solar and hydrogen with fuel cells, will make it possible to power approximately 16,000 households without intermittency problems, and to participate in the decarbonisation of the energy mix of these islands, which today is 95% fossil-based. We are also working on the solarisation of several of our retail sites, particularly in Jamaica, which has already reached 340 kWp of installed capacity.

In **Europe**, an area that accounts for around 16% of our Retail & Marketing EBIT and in which we distribute 80% LPG, demand has been quite sluggish this year, particularly at the end of 2022, due to the mild weather in early winter. Nonetheless, on the LPG markets, we ensure to maintain our efficiency and operational excellence, which is enabling us to gradually gain market share each year. Growth was stronger than expected in the LPG fuel segment, driven by the rise in prices at the tanks, and the marketing of new LPG/petrol hybrid models by several car manufacturers. We are now able to offer combined solutions including solar power to our business customers in the Channel Islands, for example, and have also rolled out several eco-responsible fuel solutions such as the RD100 or EcoHeat100.

The **Support & Services** business continued to grow in 2022, driven in particular by the shipping activities. We also enjoyed a significant opportunity to deliver bitumen to the United States during the rainy season in West Africa, which proved very profitable. Furthermore, we were able to make several deliveries of refined products to the Caribbean region. These shipping activities as well as the SARA refinery raise important decarbonisation challenges for the Group. Consequently, in line with the Sea Cargo Charter signed in 2021, we have launched a pilot project to introduce HVO, an organic product, into the bunkering of our ships serving our activities in the French Guiana region.

Rubis Renouvelables

Our brand new Rubis Renouvelables branch, and in particular its subsidiary Rubis Photosol, has only been consolidated in our accounts since April 2022, *i.e.,* for a period of 9 months. The first steps of the integration process are going extremely well. Electricity production is on track and grew by more than 30% in 2022 compared to 2021, and the entity contributed €18 million to the Group's EBITDA in 2022. The year was very eventful in the field of renewables, with a good pipeline development. To support these projects, the teams have been stepped up, particularly in Development, with an increase in the workforce.

At the end of the year, Rubis Photosol acquired the roofing specialist Mobexi, which provides roofing and shading to professionals, which generates numerous development opportunities at Group level, both for the solarisation of our sites and for the development of combined offers for our business customers. At the start of 2023, Rubis Photosol also signed its first Corporate PPA with Leroy Merlin for a period of 20 years, making for approximately 40 MWp of installed capacity. This first step in the Corporate PPA segment is part of a long-term approach aimed at diversifying outlets for its power plants, which is very important for Photosol's future development. For 2023, we plan to establish Rubis Photosol's complete carbon footprint for the first time, along with the Group's first CSR Roadmap, which will be consolidated with us.

In terms of solar, the number of advanced-stage projects grew by more than 75% compared to 2021, which really illustrates the teams' dynamism and potential for future expansion of these facilities. The major projects commissioned in 2022 amount to 50 MWp and 17 MWp respectively, in the Alpes-Maritimes and Pays-de-la-Loire regions.

Overall environment of the French market

I would now like to talk about the French renewable energy market and its implications for Rubis Photosol and Rubis Renouvelables.

As you know, the European Union, supported by the French government, intends to support the energy transition. However, the market is moving faster than the administrations, generating significant bottlenecks for the latter and for entities capable of connecting the power plants to the grid. The time required to secure a permit has recently risen from 12 to 18 months depending on the area. It should be added that cost of the modules as well as construction costs increased by around 15% in 2022.

In response to these exogenous factors and to pave the way for the future, Rubis Photosol has decided to ensure, as permitted by the latest government measures, that electricity is sold at market prices during the first 18 months of these CRE contracts. The first positive impacts of this policy became visible at the end of 2022. For Photosol, this covers about 120 MWp of installed capacity. To optimise the process of submitting building permits and save time during the consultation stages, Rubis Photosol has significantly expanded its team in charge of this phase. And to secure its module supplies, framework agreements have been put in place with a number of suppliers, mainly American. Lastly, Rubis Photosol has also been hard at work to prepare for the future, developing joint offers with Rubis Énergie in France and the Caribbean, the deployment of roofs and shadehouses thanks to the acquisition of Mobexi, international development in Europe, which we will not discuss today, as we are only at the beginning, even if the team is making progress in its intention to enter new European markets in the solar field. The teams are also studying all aspects of tomorrow's technologies, including in storage, but also in the field of hydrogen.

It is important to emphasise that these projects, as ambitious as they may be, will need to be carried out primarily through self-financing.

The French environment that I have just described naturally impacts the timing of our ambitions, but these are only temporary differences that should subsequently be absorbed. What we announced in 2022 has thus been shifted by one year.

In the area of renewable energy, I should make mention of our stake in HDF. I have already mentioned our project in Barbados and our project in French Guiana under construction.

Storage

As to Rubis Terminal's business, it performed very well in 2022, with revenue growth of +6%. In line with 2021, 2022 saw the acceleration of business in biofuels and chemicals in particular. Overall, all non-fossil products posted double-digit growth in 2022. It should also be noted that Rubis Terminal has performed remarkable work in recent years to turn its product mix around. Five years ago, its storage was composed of 70% fossil products. Today, these account for only 40% of its portfolio of stored products.

At Rubis Terminal, the year was marked by 3 main events:

- the sale of our Turkish terminal, which generated a capital gain of 19 million for Rubis Terminal;
- the refinancing of €560 million in High Yield Bonds through infra-financing, including ESG criteria, which represented a debt of €680 million as of December 31, 2022;
- the finalisation and commercialisation of new chemical capacities in the ARA area as well as new expansion projects in Spain in one of our terminals, as well as in a new region in the south of the country.

Rubis Terminal has also published its first Sustainability Report and its first Roadmap, which can be viewed on its website by anyone so desiring.

I will now give the floor to Bruno Krief.

FINANCIAL RESULTS

Bruno Krief: Good evening. I don't want to bombard you with figures, as the financial results have already been largely commented on. I will just comment on the sequence from gross operating profit to net profit and the dividend. You may have noted that EBITDA and EBIT have experienced strong growth, at +26% and +30% respectively. This growth appears to be exceptional in the history of Rubis without acquisitions, since the acquisition of Photosol covers only 9 months and does not have a significant impact on growth in EBITDA or EBIT.

We were able to pass on a large part of the price increase to our end customers. Prices for refined products doubled on average between 2021 and 2022, which has resulted in an impact on EBITDA and EBIT. In addition, we have experienced a somewhat unusual year in terms of exchange rate fluctuations, particularly in emerging countries, whether it be Kenya, Madagascar or Nigeria. We operate on two types of markets: free markets in terms of price-setting, and regulated markets. As far as the regulated markets are concerned, we have no room for manoeuvre, since the regulation is constructed and formatted through a price formula set by the governments, which has led countries such as Kenya or Madagascar to decide to cap sales prices. In the same year, both those countries were in the midst of an election period, which did not help, and we suffered the effect of a price cap at a time when prices were rising considerably. To compensate for this, however, the governments do provide a subsidy to the distributors. This subsidy has been received in all the countries concerned, though sometimes with some delay. In addition, as local currency revenues had to be converted into dollars to pay for supply, we suffered foreign exchange losses in some countries such as Kenya or Madagascar. Expense losses increased from €11 million to €80 million over the year, reflecting a fairly tight situation in this market.

On the open markets, we were able to increase our margins. In countries like Nigeria in Africa, we are faced with a currency that is chronically depreciating and suffering crises against the dollar, which has remained quite sought after in all these economies. We have coped with this dollar scarcity, which has been exacerbated in countries that generate little export revenue, the price of oil and imported petroleum products having doubled. In Nigeria, we managed to integrate the exchange rate risk into the sales price to the end customer by increasing our tariffs, so that in this country EBITDA has increased by 33 million euros. In compensation, foreign exchange risk is recognised as part of the €70 million increase in foreign exchange losses of €33 million. This effect has prompted us to correct EBIT growth from 30% to 21% to take account of the Nigerian effect, with 30 million in additional margins at the top of the income statement, and 30 million in foreign exchange losses in financial expenses.

The situation is unusual, but in essence the distributor is not in the business of subsidising customers. It generally passes on all price volatility to the end customer. This is what happened in Nigeria. In other countries, we have no choice but to negotiate agreements and protocols with governments that enable us, through a subsidy, to compensate for the price administration imposed on us and to cover exchange rate risks. We are discussing with the other African countries to offset the foreign exchange losses that you see in the net financial expenses for the financial year.

Going down income statement, we come to the **share of results of joint ventures**, 4/5th of which comes from Rubis Terminal, whose Managing Director we have thus invited to join us today. Rubis Terminal had an excellent financial year, thanks in particular to the positive effects of the sale of Turkey, which generated a capital gain, offset by exceptional financial expenses due to the replacement of a bond financing instrument with a banking instrument, successfully completed during the financial year. We have corrected the effect of these two exceptional events in the share of the results of the joint ventures.

Extraordinary profits and expenses went from +5 million euros to -58 million euros. Those 58 million include 40 million of in goodwill or goodwill amortisation in respect of Haiti, in connection with the items that Clarisse has commented on. In addition to this come some 20 million euros in costs related to the acquisition of Photosol, both in the form of a management incentive plan and pure acquisition costs. For the former, which represents the bulk of the sum, and which is part of the price, the charge was specifically amortised over 12 months. Three-quarters of this expense was incurred in 2022 and only one quarter remained in the first quarter of 2023, as depreciation is carried out over one year.

In addition, when it comes to financial expenses, **interest expenses** almost doubled, which is partly connected with the Photosol scope, which gave rise to €7 million in financial expenses for its photovoltaic farm installations, which are financed in large part by debt. In addition, the acquisition price of Photosol represents both an outflow of 400 million euros, but also debt that is within Photosol, *i.e.,* a total of some 800 million euros in assets to be financed, which generated additional interest between April and December. Added to this is the effect of the increase in interest rates between 2021 and 2022. The foreign exchange losses were already mentioned.

The **tax rate** remains between 17% and 18%. We have shown a tax rate closer to reality by taking into account the impairment of goodwill which is not taxed.

Adjusted net income, Group share, amounted to €326 million, up by 11% compared with adjusted income in 2021, which amounted to €293 million, a 16% increase over the previous year.

We have provided you with details of the change in the Group's net debt. Our net debt at the beginning of the year amounted to €438 million. Our cash flow showed a negative flow of €432 million. The change in working capital increased the debt by €31 million. During the year, investments consumed €259 million, of which €215 million for Rubis Énergie and €44 million for Photosol. As to the dividend for the 2021 financial year paid in 2022, it amounted to €202 million. The acquisition of Photosol shares represents €340 million and other miscellaneous items, due in particular to the integration of Photosol, also increase the debt by €94 million. All of these items led to a corporate net debt at 31 December 2022, amounting to €930 million. It does not take into account the non-recourse debt housed in the photovoltaic power plants. These €930 million result in a modest net debt to EBITDA ratio of 1.5x, leaving the Group with additional debt capacity to finance further developments and acquisitions.

Taking into account the €357 million in financial debt housed in all solar power plants, total net debt amounted to €1,286 million, corresponding to the debt reported in the Group's balance sheet, which resulted in a ratio of twice the EBITDA. This figure also remains modest, given that a quarter of this debt corresponds to fixed debt in the photovoltaic plants.

In addition to its solidity, the balance sheet is characterised by its liquidity, which is essential in these times, and is characterised by €480 million of available revolving credit facilities confirmed within the Group.

CLOSE-UP ON BITUMEN

In 2015, Rubis identified a new niche sector in its business from petroleum products, while we were already involved in LPG, fuels, aviation and lubricants. Bitumen is one of the products found in the distillation column. We singled out this product based on its characteristics, which are quite similar to those of LPG, our original business, whereby it is a niche business that is not aimed at the end consumer, but at professionals. It is a B2B niche business with constraints and characteristics that make it possible to duplicate the logistical scheme with which we were already familiar with LPG, another complex product, which is not as easy to store as liquid. Bitumen needs to be heated and transported under special conditions in special vessels equipped with a heating system. The logistics associated with bitumen are essential and give this business a competitive advantage. We identified this product and a leading company at the time for which Nigeria accounted for 80% of volumes out of a total of 300,000 tonnes distributed each year. We bought that company at the time for €265 million, *i.e.,* a PE of 10x. That was in 2015. I will now let Fred describe what has been done since, especially after he took over.

Fred Royer: Thank you for that introduction. Good evening, everyone. First of all, a bit about my background. I have a total of 24 years of experience in the downstream oil industry, including 17 years within the Rubis Group. At Rubis, I have been able to work in different geographies: Europe, the Caribbean and Africa and am now based in Dubai, from where I manage the Asphalt activities for the Group. Over the course of my career at Rubis, I have developed expertise in restructuring and integrating companies. In particular, I took part in the acquisition and integration of many of Chevron and Shell's assets, particularly in the Caribbean, and also led the restructuring of our activities in Southern Africa, which enabled us to become the leader in the LPG market in this region.

I joined the Bitumen Division in 2018 and focused on growing sales, expanding our business in new African markets, and optimising our logistics assets.

I would now like to show you a short video containing an overview of our activities.

A video presenting Rubis Asphalt is shown.

"No man is an island. We all have our own world, hopes and dreams, our own potential for greatness. But our true power comes from connexions, so we help to build bridges, we help build roads to reach each other a little easier. We connect and our dreams become achievable goals. One man becomes the whole of humanity in greatness ensues.

Rubis Asphalt is an African bitumen specialist with over 30 years of experience in the distribution of bitumen and specialised bitumen products for the road construction sector. Part of the Rubis, a French listed company, Rubis Asphalt has the knowledge and technology needed to serve clients both locally and at an international level. Our products are sourced from highly reputable refineries, mostly located in Europe. We pay great attention not only to the quality of those products, but also to the quality of our clients experience by providing tailor and flexible all-inclusive solutions every step of the way.

We allow our clients to focus solely on building lasting first-class roads. Our fully controlled and integrated supply chain, end-to-end solutions, permanent inventory, quality products ranging from traditional to bespoke, comprehensive technical support and flexible logistics ensure customer satisfaction and seamless collaboration.

Rubis Asphalt focuses on distribution within Africa and is also involved in international trade. Our fleet of 5 bitumen ships with total capacity over 120,000 tonnes is capable of delivering large volumes of bitumen across the world.

Our infrastructure in Africa includes a vast network of 8 storage terminals, a fleet of over 1,200 bitu-containers and 200 road tankers which form a key element of our integrated supply chain.

Our terminals are also equipped with emulsion and polymer modified bitumen plants. Our infrastructure combined with the expertise and commitment of our 500 staff members enables us to deliver 500,000 tonnes of high-quality bitumen and derivatives tailored-made to the needs of our respected clients annually.

We reliably serve in excess 200 road contractors and contribute to the realisation of over 400 road or bridge projects across Africa per annual.

At Rubis Asphalt, we don't just protect new worlds, we protect the one we live in. Subjects such as preservation of resources and biodiversity, improvement of the living environment, social cohesion and ethics are vital to ensuring sustainable growth. In collaboration with the African community, we support and invest in education, reforesting and fighting for access to water. We are actively working on optimising the performance of our ships, on developing low-carbon fuels and improving the efficiency of our operations.

We believe a better world is more than just a possibility. By connecting people and promoting excellence, we make it a certainty.

Rubis Asphalt, the road to a better world."

Fred Royer: As you can see, bitumen is a product derived from oil refining. It is a residue of the vacuum distillation column. Some crude oil is better suited to bitumen production than others. These are generally so-called "heavy" crude. In Africa, there are relatively few refineries and even fewer refineries producing bitumen, because in Africa, there is more light crude. This creates an opportunity for us, as these markets are structurally importers.

Bitumen comes from refining but is not a fuel. Carbon is in a sense sequestered within the product, which is positive for our development.

At Rubis Asphalt, we source mainly from refineries located in the Mediterranean, Spain, Greece or Turkey, which guarantees the reliability of the resource, but also the stability of the bitumens supplied to our customers.

Bitumen has two main applications. The first and main one is road construction, which accounts for 90 to 95% of use. The waterproofing of the buildings on roofs accounts for approximately 5% of business. In Africa, we focus only on the road infrastructure market, for which bitumen is an essential component. It is a material that has the ability to be adhesive, cohesive, waterproof and resistant. It generally makes up 5% of the asphalt layer that forms the wearing course, which is made up of aggregates and sand. Bitumen is a binder. The supply of bitumen represents 30% of the cost of a road structure. It is thus a decisive and central component, and an important factor for road manufacturers.

Our clients are public works companies specialised in infrastructure, most of them multinational, such that customer risk is very low. We operate on a deep market, as the development of road infrastructure in sub-Saharan Africa remains key to opening up certain regions and freeing up the economy. In addition, population growth creates a significant need for mobility, for example in Nigeria, where the annual growth is 5 million inhabitants, which represents 2 to 3% growth per year . New infrastructures thus need to be created to support this growth. Last but not least, the road network in Africa, and more particularly in sub-Saharan Africa, remains underdeveloped. It amounts to about 140 m/km^2 of road. Compared to other regions of the world, there is considerable room for improvement, even though we do not plan to achieve the density achieved in South Asia. We hope to be closer to the density of North America within 15 to 20 years, namely 300 m/km^2 of roads, which we believe is a reasonable objective.

We stand out from our competitors in that we cover the entire supply chain, and can thus deliver to our clients as close as possible to their needs, *i.e.,* to their asphalt mixing plants on their construction sites, on time and in the required quantities. To do this, we have an integrated value chain including bitumen ships. In particular, we own the world's two largest bitumen tankers, which enable us to bridge the gap between European refineries and sub-Saharan Africa in a very efficient way. We also have import terminals, which enable us to guarantee permanent stock to our customers. Lastly, we have land-based logistics resources, with multimodal transport to transport bitumen directly to our customers.

Our business requires significant capital, which creates barriers to entry for new players. Furthermore, thanks to our leading position, we benefit from an economy of scale on which we can capitalise for our further expansion. We offer our customers our tailor-made approach in the form of asphalts and derivatives that meet their specifications and comply with their terms of reference. We are able to provide bitumens, but also derivatives, emulsions as well as modified bitumens or PMB (*Polymer-Modified Bitumen*) depending on the characteristics of the projects. These can be secondary roads, high traffic roads with significant heavy-duty traffic, motorways, airport runways or mining tracks. Each of these road types requires a specific and different bitumen. Consequently, we adapt our production and services according to customer needs. In addition, with our dedicated and local teams, which amount to between 500 and 600 employees in Africa, we are able to provide technical support to our customers through every stage of the road construction process. We deliver a turnkey solution to them and provide the after-sales service.

Since the acquisition of Eres in 2015, we have worked to develop our sales and diversify our sites, by opening up new countries. Nigeria is the driving force behind our business. It was important for us to de-risk our exposure to Nigeria both in terms of volumes and in terms of financial and currency exposure. We have benefited from a tremendous surge in sales in the Togo sub-region, particularly in Benin, Niger and Ghana, which have very ambitious infrastructure development policies. In the last 5 years, we have opened up 5 subsidiaries: Cameroon in 2018, followed by Gabon, Liberia and South Africa in 2021, and most recently Angola in 2023. These new markets amounted to some 70,000 tonnes in 2022 and we plan to reach sales of between 150 and 200,000 tonnes in these new markets by 2024. This represents about 20% growth in our local volumes distributed in Africa.

Our strategy is to be the reference supplier in Africa, where we are recognised as the bitumen specialist and market leader. We enjoy market shares of over 50% in all the countries where we operate. Market share targets are usually achieved after 2-4 years of operation, depending on the country configuration and competition. We are also able to adapt our logistics model according to the size of each market.

Since 2016, our distributed volumes have almost doubled, from 250,000 tonnes in 2016, a year during which conditions were adverse, to 450,000 tonnes of products sold to our customers last year in 2022 in Africa. We have also developed key partnerships. These include Sogea Satom, a subsidiary of the Vinci Group, with which a framework contract has been signed to supply their road projects in West Africa; we have also recently developed a partnership with Colas, a subsidiary of Bouygues, to supply it exclusively in South Africa and we are looking together at other logistics synergies between our two groups.

The level of volume growth in our business is more volatile than in the fuel or service station business. The activities are cyclical and vary depending on the policies in each geography. It is thus important for us to diversify geographically so that we are less impacted when policies change in one country or another. We have brought forward and expanded our offering to include new PMB-type products and emulsions, particularly for mining. These technologies, generally used in more mature markets, enable us to support our customers in a broader and more sustainable way, and to generate more margin with higher value-added products.

Lastly, we are investing in the development of our logistics, which is key, and in particular in our ships, in order to gain greater efficiency and support our growth. As you will have understood, bitumen resources in Africa are scarce, so we have to import everything. These imports generally come from Europe. Consequently, we need ships to transport them. We recently took delivery of a new vessel at the end of 2022, a 15,000-tonne vessel. It is designed to supply Nigeria efficiently. Transport in Nigeria is *via* rivers, with a very shallow draught, which makes a very particular vessel design necessary. We intend to further improve our supply efficiency to Nigeria. We are in the process of securing the construction of a new 17,000-tonne vessel to support our growth in Southern Africa, *i.e.,* South Africa and Angola.

All these developments are resulting in net income growth of 26% per year since 2016 on average, taking us to net income of €65 million in 2022, with a return on invested capital of more than 20%.

What can we expect from the bitumen business in the future? First of all, it is important to highlight the significant growth potential in South Africa and Angola, where our operations are only just getting off the ground. We are building a new bitumen storage facility in Durban. We will be the first to have a facility there and will be able to take a significant share of the market in South Africa, where the landscape has changed because they used to be a bitumen exporter, as there were refineries in the country, but these have closed, creating a need for imports. We, however, are the first to seize this opportunity. We already have an import terminal in Capetown, and are building a new one in Durban. Our goal is to increase our sales by 100,000 tonnes by 2024, which would make for 20% growth in the volumes distributed in Africa.

Our scope of action is not limited to the countries in which we have sites. For example, we are able to deliver to neighbouring countries by truck. We intend to continue our geographical expansion by setting up new sites around our current areas of operation in Africa. The Democratic Republic of Congo is an important market, which will have to be handled carefully. It is a sizeable market, and we are looking to establish a presence there in the next few months or years. We are also targeting Namibia and Guinea by 2025. In East Africa, we have a real platform for development, as we have facilities there *via* Rubis' fuel activities. However, we are stuck in this area for the time being, as the source of natural bitumen for South Africa is Iran. As long as the embargo in Iran remains in place, we cannot attack this market, but will be ready to do so as soon as the embargo is lifted.

We intend to continue to develop products that complement bitumen and improve the existing offer. I mentioned PMBs, which improve the elasticity of roads and their resistance to heat, which is a key factor in these regions subject to significant variations in temperature.

We will use our logistics assets and expertise as much as possible to take advantage of the trading opportunities that arise, particularly during the rainy season in Africa, when road construction is slow. There are opportunities particularly in the United States where we have regular trading flows with American customers.

We are also keeping an eye out for merger and acquisition opportunities. We will have no hesitation about positioning ourselves as a player in the consolidation of the market in Africa or elsewhere in a niche product, growing markets, with significant barriers to entry and structural import needs.

Whatever the type of motorisation of vehicles in the future, there will be a need for modern and efficient roads. We are particularly well positioned thanks to our mastery of the entire logistics value chain and our operational excellence. The power of our model is illustrated by our market share of more than 50%, robust in all our locations, the dynamic of our development in new markets, and a continuous increase in financial performance since the acquisition, with a return on capital invested of more than 20%. The growth potential remains very large in Africa, where we have a leading role.

Thank you for your attention and I look forward to answering your questions. I will give the floor to Clarisse to conclude the presentation.

SUMMARY AND OUTLOOK

Clarisse Gobin-Swiecznik: As you have noted, 2022 is another very active year for the Group and the results are there, with excellent operational performance that deserves to be emphasised. We are also pleased to be able to offer an ever-increasing dividend. This is a way for us to reward your trust and support.

With regard to the future and the prospects for the Group over the next few years, regarding our Energy Distribution business, we will continue our work to consolidate and strengthen our existing strategic positions, diversifying our offer, exploring new markets and investing where it makes the most sense, namely mainly in Africa and the Caribbean. We remain convinced that the energy we distribute cannot be the same everywhere we operate and must meet the needs of our customers. This is also the reason we acquired Photosol, in order to turn to renewable energy in Europe.

In our Renewable Electricity Production business, growth will be driven by the energy transition in all our geographical locations. We see significant opportunities to develop solar projects in several European countries with Photosol.

The decarbonisation of the energy mix is a major challenge for us, but also in geographically isolated areas such as the Caribbean islands, and we are convinced that we can contribute to this through our projects with HDF Energy.

In our Storage business, we will continue to support our customers in their energy transition, as we have done for several years, in particular by adapting our storage capacities.

Finally, continuing the Group's history of external growth, we continue to have an eye out for any acquisition opportunities that might arise in all of our businesses.

Before concluding this presentation and opening the floor up for questions, let me state that we expect our results to increase in 2023 compared to 2022. We will continue to enable dividend growth, as it has been the case since the Group’s creation.

This session has now been completed. Thank you very much for your attention. I suggest that we open the floor for questions.

QUESTION & ANSWER SESSION

Emmanuel Matot, Oddo: Could you go back over your external growth policy? How do you plan to speed up in solar? Shouldn't you consider going to the market? Can all the developments be achieved with the current balance sheet structure? How far are you prepared to go in terms of leverage?

Do you see the law on accelerating renewable energy in France as positive or negative? What is your outlook? Do you feel truly supported by the authorities?

Furthermore, can you specify the budget for your capex in 2023, so as to compare them with the €259 million of last year?

Bruno Krief: In photovoltaics, we believe that with Photosol, we have the tool, the critical mass and the instrument necessary to achieve our targeted developments, all from the existing structure, which has 120 people and is the Number 3 in France, an independent company behind the big leaders, Engie and EDF. We have the ideal tool to carry and develop the business from Photosol. We are thus thinking more in terms of organic development, for example by using new teams and giving priority to partnerships for commercial development abroad. It is also possible to think about development in horizontal terms, by pushing storage beyond the traditional solar photovoltaic farm, through repowering, which consists of reinvesting at the end of a plant's life with more efficient tools to start again on the basis of higher profitability rates than before.

With regard to your first question on the Group's financing capacity, we have, at Photosol, an investment programme of €700 million between 2022 and 2026. These 700 million will be almost self-financed or financed by bank debt without calling for "New Money" from shareholders. In France, the photovoltaic market is what it is. We are familiar with the regulations, business is guaranteed by long-term contracts, and we have the advantage of having quality counterparties thanks to the CRE. This enables financial leverage in the order of 90%, or even 100%, hence Rubis' self-sufficiency in financing its developments. It is not a question of buying the equivalent of Photosol. That would make no sense, as we have the necessary team, expertise, and platform.

As for the Acceleration or rather Deceleration Act, I will hand over to the experts in this field, who worked directly with the national representation in the Assembly to pass the law.

David Guinard: I am the CEO of Photosol and I was very much involved in the thinking behind the Acceleration law, which kept us very busy in the second half of 2022. Of course, and most of the players in the profession have spoken out extensively in the press throughout the parliamentary process on this subject, at the end of the work of the Senate and the National Assembly, the result is undoubtedly a tad disappointing compared to what we might have hoped for in terms of the energy transition issues as they present themselves to us. However, this Acceleration law is very important because, first of all, it is the first time in the 15 years of existence of Photosol and in the 17 years of existence of the photovoltaic market in France, that a real law has been passed to decide on and act on an extremely strong desire to speed up the development of renewable energies on French territory, by establishing a certain number of frameworks, one of which is fundamental, the definition of agri-voltaics. For those of you who were present in this room last year, I delivered a bit of a lecture on the subject, because Photosol was a forerunner on this subject in the years 2008-2010. Today, for the first time, this regulatory framework will open up the land, which has been one of the most significant obstacles in recent years, to the development of photovoltaics. This is a fundamental aspect. The second equally fundamental aspect is the consultation work that was referred to in the presentation, framed by articles on acceleration zones and the definition by mayors and by the entire territorial ecosystem of acceleration zones. It will most certainly make it possible to overcome the second major difficulty we face in France, the length of the administrative approval process. In these acceleration zones, the development time will certainly be much shorter.

These 2 factors at least are extremely powerful factors in this Acceleration law that we would have liked more ambitious, despite everything.

Jacques Riou: The French market is quite exceptional in many respects. It has AA versus AAA buyers, a notion that does not exist anywhere else and which makes it possible to find extremely long-term financing at extremely tight rates, with an extremely low cost of capital. David Guinard is able to finance nearly 90% or even 100% of his investments depending on the operations to be carried out. The price to pay for this comes in administrative red tape. However, if there is a market on which we enjoy finding ourselves, it is the French market - I would not say this for all products, but I am happy to be able to say it for renewables.

Furthermore, our ambitions in terms of the multiplication of installed capacity are considerable and far exceed anything an operator can dream of in this area, not to mention the objectives concerning other European markets.

Outside France, there are various set-ups, with markets that may offer shorter contract terms, requiring higher capital, or markets in entirely different emerging countries, with major difficulties in finding counterparties for the acquisition of electricity capable of committing reliably over the period. This is another approach, more corporate and more traditional, to the market.

These electricity markets must be tackled using different tools and teams depending on their specificity. This will be the charm of Photosol’s future development. In just a few months, the teams have already done an exceptional job, as they have both adapted to a listed structure, which is no small feat for a company, and did so almost instantaneously, and they have already launched commercial actions to conquer new countries.

Nicolas Cleris, Candriam: Would a farm-down policy be an option for reducing the risk of projects and partially self-financing the development or 100% ownership of projects?

Bruno Krief: I suggest that we let our specialists respond.

Jacques Riou: It would be best if we start by redefining farm-down. We are fortunate to have the presence of the 2 founders and managers of Rubis Photosol, Robin and David.

Robin Ucelli: Yes, I am co-founder of Photosol, associated with David and Rubis. A farm-down is a sale of assets, generally a minority sale to purely financial investors, whose capital cost is extremely low and who seek very long returns on investment. The appeal of a farm-down may lie in de-risking the assets owned and operated, which require consideration and a long-term commitment. With respect to France, as Jacques mentioned, we enjoy a rather exceptional environment, very different from that of other geographies, since our main buyer, and until very recently our sole buyer, was EDF, recently joined by Leroy Merlin with the signing of a 38 MWp PPA. Under these conditions, Photosol’s policy up to now has been to keep its assets and not to farm down. In principle, for the next few years, given our pipeline and the fact that we are able to finance our plants with leverage of 80, 90 or 100%, we do not need to sell assets or farm down to find liquidity. In any case, on French soil, the farm-down is not a way of de-risking since the reward is excellent. That is our view. In other geographies, the question may arise, but the situation must be analysed country by country.

Nicolas Cleris, Candriam: What is the planned WCR trajectory for 2023 after the withdrawal of raw material prices compared to 2022?

Bruno Krief: The answer is in your question. In the event of a verified withdrawal of raw material prices, the result would be a reduction in inventory and customer items, and therefore cash generation. We may have seen the peak in working capital requirements over the last two years in 2021 and 2022, and we will start 2023 under better conditions from this point of view.

From the floor: Is the 700 million in investments that you have planned included in equity, or is it the total of the physical investments?

Bruno Krief: It's 100% physical investment, corresponding to the construction of the power plants, the purchase of assets that will require financing either by equity or by debt, on the understanding that we have the advantage of being able to use a maximum amount of debt.

From the floor: As far as your relationship with HDF is concerned, you invested at a certain introductory price that was much higher. What do you think of your relationship? Did you trade that ticket in to get into the downstream business? What do you think of this investment?

Clarisse Gobin-Swiecznik: As a member of the Board of Directors of HDF Energy, I am in a good position to respond. We actually invested €80 million in HDF Energy a year and a half ago, above all to be able to invest in hydrogen-electricity power plants in the areas in which we operate. There are projects in all the areas in which we operate, with a slightly larger *pipeline* in the Caribbean. Above all, this investment has enabled us to have a strategic partnership protocol with HDF, which gives us the opportunity, at our discretion, to be able to invest or not in a majority and priority manner in all the geographical areas in which we are located. It is still too early to determine whether this investment is to our satisfaction. Photosol, an integrated player in the French landscape and often a winner of CRE's calls for tenders, now takes 4 to 5 years to develop a classic solar power plant in France. At HDF, the development times are very long. One plant is under construction and another is in advanced development. There are many other projects still maturing and which cannot be mentioned today. It is still too early for us today to give an opinion on the matter. I think I have answered your question in all sincerity.

Jacques Riou: We are at the start of the business. There is no power plant like the one for which the construction began in French Guiana. It is an industrial model that combines photovoltaic panels, a hydrolyser, hydrogen storage and a fuel cell, which is capable of supplying 24/7 power round the clock. What will emerge is a fairly unique facility, so the construction of the pipeline will take several years. You need to allow five years for development. After that, the projects will pile up and it is this accumulation that will allow the curve to take off. That is the principle behind our operation.

From the floor: You are in a good position to possibly take an equity stake.

Jacques Riou: We have a very formal written agreement whereby HDF undertakes, for the zones in which we operate, i.e. Europe, the Caribbean and Africa, which represents a certain potential, to allow us to be a majority priority investor in our initiative. We will choose whether or not to invest depending on the characteristics of the market and our mood.

Bruno Krief: There is no question of Rubis increasing its stake in HDF. We have 18% of the capital, which makes us the second largest shareholder. Our aim is rather to invest in electricity-producing SPVs, but not in the parent company. Our leverage is in the development of the power plants.

From the floor: On the bitumen business, you said that you were watching for potential M&A. Are there any transactions under discussion today and can you give any indication of the size of these transactions?

Fred Royer: There are not really any operations or discussions. Everything we have achieved so far has been done *ex nihilo*. It is not about engaging in M&A as such, but about really clearing the ground in Africa, where we have become the specialist in this area. There are a great number of opportunities in Africa, because it is a growing market, where road infrastructure is developing very rapidly. These are financed by funders in most cases. We believe that our organic growth and growth ex nihilo will be major contributors to our total growth in the coming years. M&A transactions will tend to come from other regions. We have assessed some potential targets, but it is still too early to tell you about them. We observed that in Europe, the landscape was changing and that some bitumen-producing refineries were at risk of being closed. We are therefore looking closely at Europe and in particular North-Western Europe.

Eric Blain, Finance Connect: The 65 million net income on bitumen represents a high percentage of the Group's income. Is this ratio similar to the operating income level?

Bruno Krief: There is €90 million in EBITDA.

Fred Royer: It is true that we have very good EBITDA, but it is also partially "distorted" due to Nigeria, where the margins are very large to absorb the financial risk stemming from the purchase of the dollar in somewhat more parallel markets.

Eric Blain: Given the currency loss that is down, what does bitumen represent in the EUR 90 million in operating income before provisions?

Bruno Krief: Bitumen amounts to EUR 30 million in operating income before provisions.

Eric Blain: Economically, you thus need to look at the figures after the currency effects.

Fred Royer: Exactly. This is why we communicate more about net income than EBITDA, which has ended up slightly inflated.

From the floor: I would point out that the €90 million in EBITDA comes after the effects of Foreign Exchange.

Fred Royer: Correct: this is restated EBITDA.

Eric Blain: Bitumen is a residue of petroleum products and we expect to see a decrease in gasoline consumption. What would be the consequences of a drop in production on your bitumen purchase prices? Is the purchase price defined by the buyer, *i.e.,* by you, or is it defined according to changes in the price of crude oil? What price trends can we expect to see over the long term?

Fred Royer: The price is entirely correlated with the price of crude oil. The underlying factor for our contracts for the purchase of bitumen is heavy fuel oil. The trend is difficult to determine. We are now observing that a certain number of refineries must close or convert in the future, which seems quite logical. Our objective is of course to secure molecules to ensure the sustainability of our business in Africa and elsewhere. We are attentive to many opportunities. Some refineries have decided to specialise in bitumen. The more sophisticated refineries are able to choose the dosage of their products and some specialise to produce much more bitumen than they used to.

From the floor: Are you looking into buying a refinery?

Fred Royer: This is a subject that should be brought up with Jacques...

Jacques Riou: Some have tried, but many have backtracked. We need to be very careful in this area. This is not a highly recommended sport for people who want to stay healthy! On the other hand, there are more special downstream activities for the use of refinery by-products to generate bitumen in a more specialised manner. The same goes for bitumen as for all energy products. It is quite an exciting strategic dimension, which leads to high margins and allows the international prices to be passed on to the end markets. Furthermore, the increasing distance between the regions that produce bitumen and those that need bitumen to build new infrastructure requires the use of ships. However, we are one of the few operators to be extremely well equipped in this area. These vessels are mainly intended for our own supply, but during rainy periods in particular, we use our large bitumen carriers to supply other customers in the Americas when trading windows open up.

From the floor: What is the cost of a 16,000-tonne boat?

Jacques Riou: We tend to use 40,000-tonne ships.

Fred Royer: The new ships currently being built cost between 30 and 35 million dollars.

From the floor: What about natural bitumen, which is also an option as an additive to traditional bitumen?

Fred Royer: Natural bitumens exist, but unfortunately remain very theoretical. I don't know of any natural bitumen that can be used immediately as a traditional bitumen. Natural bitumen deposits can be found in some countries like Nigeria and oil sands can be found in Canada, but all of those materials require a refining process. These bitumens cannot be used naturally.

From the floor: Given the foreign exchange losses recorded in 2022, do you intend to implement a currency hedging policy?

Bruno Krief: If we could, we would have done so already. With regard to the shilling, naira and Malagasy ariary, there is unfortunately no derivative market or futures market. As a result, we have to work on a case-by-case basis and, in the end, the best way to protect ourselves is to transfer the price volatility to the end customer. We have no other choice.

From the floor: Are we to understand that you hope to recover the €80 million of exchange rate losses in 2023 thanks to the discussions you are having with the governments?

Bruno Krief: Of the 80, only 50 remain, and of the 50, only 40 are really new compared to the usual level of 10 million each year. Out of these €40 million, it is true that we are conducting discussions with certain States in order to recover part of the shortfall.

Jacques Riou: You have to realise that this is a game that has existed for a hundred years in these markets between governments and oil product operators. We all need each other. There are times when governments find themselves in trouble because prices are rising too quickly and reaching excessive levels: under those circumstances they are tempted to regulate. This is the case in Africa, but also here in Paris, and in many very different countries. Everyone knows that they need each other: governments know that they need reliable operators in the long term, and they have to negotiate. It is always possible to find common ground if you accept some dissonance here and there. On the free price markets, we pass the pressure of the international markets directly to the customer. On regulated price markets, it takes a little longer and some negotiations are needed. They don't always achieve 100% of our 'war aims', but you have to see this as a kind of long-term partnership with governments.

Guillaume Muros, Société Générale: Can you go back over the change in positive WCR in the second half of 2022 and explain it? In terms of renewables, at the time of the acquisition of Photosol, you had issued a medium-term target by 2027 of a contribution of around 25% of renewables to the Group's EBIT. Given the development delays at Photosol, are you maintaining that objective? Lastly, with regard to the leverage of your corporate net debt, can you tell us what the target is?

Bruno Krief: With regard to the corporate net debt to EBITDA ratio, we ended the year at 1.5x, and stated that our borrowing capacity reached €300 to €400 million. We could therefore move closer to a ratio of 2 to 2.1x. From 1.5 to 2x or even 2.2x, this is equivalent to half of Rubis' EBITDA, which amounts to €300 to €400 million.

The downward variation of the WCR in the second half of 2022 reflects a completely atypical year, during which a mechanism for the accounting treatment of the EECs ran head on with the end of the three-year period for the recording of the EECs in the balance sheet of companies such as ours, which distribute energy and which are required to manage their energy saving certificate positions. At the end of the period, an accounting process to remove the EEC stock contributed 65 million euros in Rubis' stock of goods to the decrease in WCR. This is the technical explanation for the decline in WCR in the second half of the year, of which you intelligently too note.

Clarisse Gobin-Swiecznik: We never made a commitment to renewable energy by 2027. For us, the medium term is the 2030 horizon and beyond. We are not going back on the contribution to the Group's EBITDA of 25% that we announced by 2030, or even beyond.

From the floor: Given the rise in interest rates, does Rubis plan to change the debt instruments in its capital structure? What is the proportion accounted for by the fixed-rate and variable-rate debt?

Bruno Krief: The debt that we took over from Photosol, which reached €360 million over a very long 20-year period, was hedged from the outset, thanks to hedges that we took over the entire duration of the loan. Thus, the interest rates are capped, and we have no unfortunate effects to expect from the rise in interest rates with regard to current borrowings. For the future, we will obviously be exposed to increases in interest rates, but again, this is part of the project's economics and this development will be integrated somewhere in the price of the megawatt on which we will work for our future calls for tenders, whether they are corporate PPA or *vis-à-vis* the CRE. With regard to the corporate debt housed at Rubis Énergie, it obviously does not have the same maturity of 20 years as that housed at Photosol, since its average maturity is between 5 and 7 years. To date, the average duration of the debt on Rubis Énergie's balance sheet is around 4 years. It is hedged from the outset when we set up the borrowings and draw on the RCF, so that we can cover between 70% and 90% of the interest-rate exposure.

From the floor: In terms of capital allocation, is the increase in investments still compatible with the amount of dividends? Can you specify the various segments, activities and geographies concerned by acquisition opportunities?

Jacques Riou: It is our steadfast policy at Rubis to protect not only the dividend, but also the growth of the dividend. We design our development plans on the basis of this primary principle.

Bruno Krief: As Jacques illustrated in the first part of the presentation, the Group is currently structured in such a way that Rubis Énergy's mature and growing businesses generate free, available, distributable cash flow of 200 to 250 million euros annually. It is this €200 to 250 million of available free cash flow that are used to pay the dividend, which as we have seen will amount to around €200 million on the basis of €1.92 per unit for 2022. Rubis Énergie's cash flow after both organic investment of around €120 million and development investment of €60 to €80 million per year, the positive surplus balance reaches more than €200 million. This reserve makes it possible to secure the payment of the dividend to Rubis shareholders. As for Renewable, we have demonstrated that it is self-financing, since it is financed mainly by borrowing.

There is thus a mechanism for securing dividends through Rubis Énergie's surplus cash flow, which does not restrict the Group's investments.

Furthermore, we discussed mechanisms such as farm-down, which is an option that may one day be attractive to us to free up cash within Photosol and, in so doing, to help accelerate investments.

Jacques Riou: We have come to the end of the questions. Let me thank you very much for the attention and time you have given us today. I look forward to seeing you in the coming months to follow the developments in all our operations with the passion that drives us to develop this Group in an accelerated manner. Thank you and have a good evening.

[end of transcription]