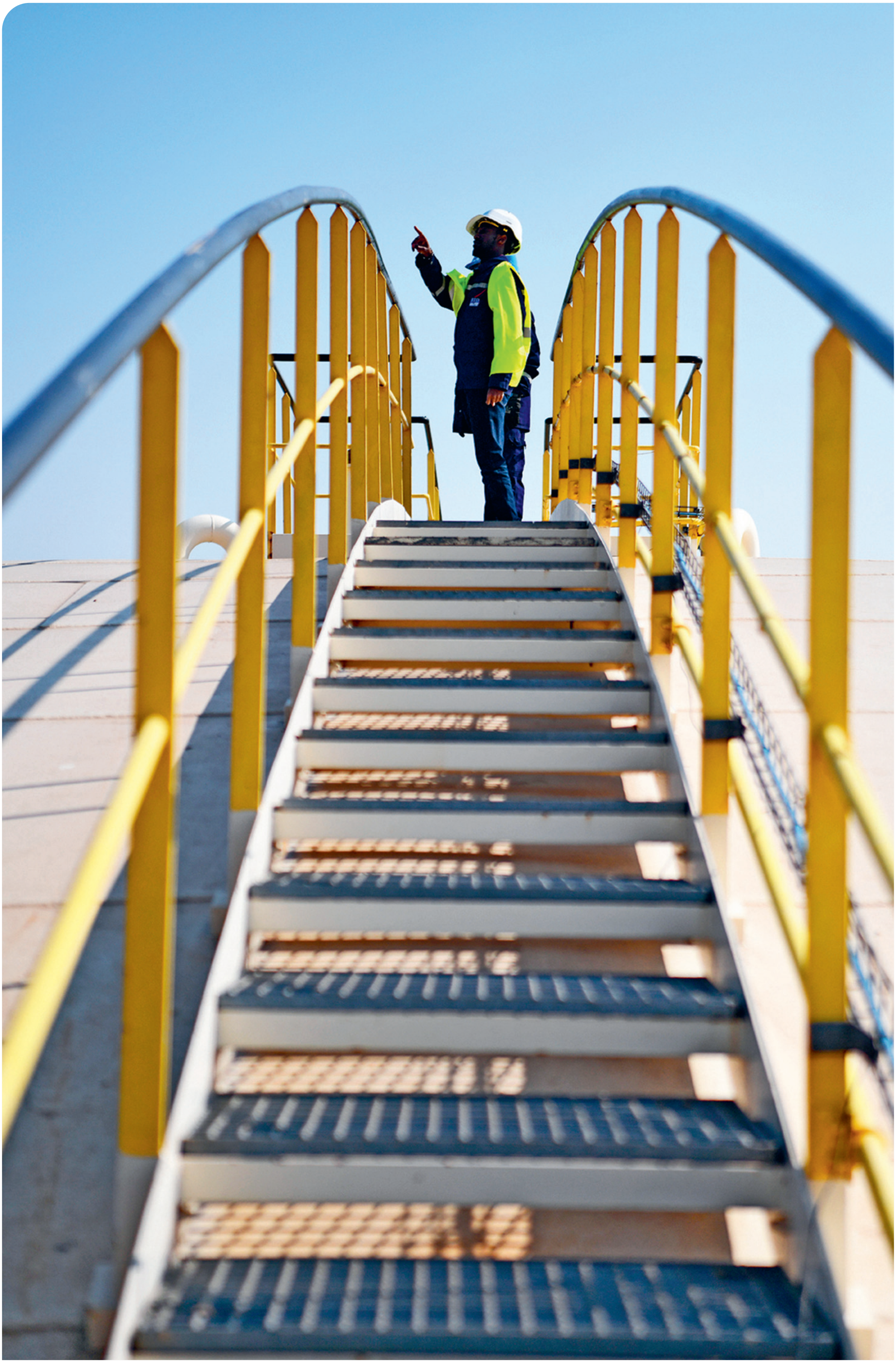


ACTIVITY REPORT

2.1 Activity report for the financial year 2022

RUBIS GROUP

Following the 2020-2021 health crisis, 2022 was marked by new extremes: a doubling in the price of oil, war in Ukraine, inflationary pressures, currency shocks and the end of the era of negative interest rates. In this environment, the Group once again demonstrated the strength of its business model, generating growth in adjusted net profit of 11%.

Rubis Énergie's multi-country and multi-segment positioning, as well as its dual midstream/downstream structure, have enabled it to absorb the various external shocks, while the Rubis Terminal JV once again demonstrated its resilience with a 6% increase in its storage revenue and succeeded in refinancing its debt under better conditions, while increasing its duration and leverage.

Lastly, the financial year was marked by the creation of the Rubis Renouvelables division, mainly comprising Photosol, the French ground photovoltaics specialist, consolidated since 1 April, bringing Rubis directly into the energy transition.

CONSOLIDATED RESULTS

(in millions of euros)	2022	2021	Change
Revenue	7,135	4,589	+55%
EBITDA, of which	**669**	**532**	**+26%**
• *Rubis Énergie*	*680*	*551*	*+23%*
• *Rubis Renouvelables*	*18*	*NA*	
EBIT, of which	**509**	**392**	**+30%**
• *Rubis Énergie*	*540*	*412*	*+31%*
• *Rubis Renouvelables*	*(1)*	*NA*	
Net income, Group share	263	293	-10%
Adjusted net income(1), Group share	326	293	+11%
Diluted adjusted earnings per share(1) (in euros)	3.16	2.86	+10%
Dividend per share (in euros)	1.92(2)	1.86	+3%
Cash flow	432	465	-7%
Net financial debt (NFD)	1,286	438	
NFD/EBITDA	2.0x	0.9x	
Corporate net financial debt (corporate NFD)(3)	930	438	
Corporate NFD/EBITDA	1.5x	0.9x	
Capital expenditure, of which	259	206	
• *Rubis Énergie*	*215*	*206*	
• *Rubis Renouvelables*	*44*		

(1) Net profit (loss) adjusted for non-recurring items (Haiti impairment, acquisition of Photosol, disposal of the terminal in Turkey and refinancing of Rubis Terminal) and IFRS 2.
(2) Amount proposed to the Shareholders' Meeting of 8 June 2023.
(3) Excluding non-recourse debt at the Photosol SPV level.

The sharp increase in EBITDA and EBIT in 2022 (26% and 30% respectively) includes the transfer to the sale price of the foreign exchange risk on certain emerging countries: the shortage of dollars was particularly felt in Nigeria, Kenya, Haiti and Suriname, exposing the currency balances in these countries to a risk of depreciation while they were converted into dollars to settle supplies. "Other finance income and expenses" reflects the corresponding losses or provisions for an amount of €80 million compared to €11 million for 2021. EBITDA and EBIT, adjusted for the foreign exchange impact in Nigeria, showed increases of 20% and 21% respectively. The situation experienced in 2022 is considered exceptional: the sale price, whether regulated or unrestricted, must include the translation risk. Where prices are unrestricted (Nigeria), customer invoicing has gradually integrated this risk. As for countries where margins are administered but where a temporary cap on prices at the pump has been put in place (with a corresponding subsidy), the profession and the authorities are in discussion to compensate the losses incurred.

The Group retains a strong ability to bounce back, with the Caribbean region driven by the economic dynamism of the North American continent, favouring tourism, good growth potential in East Africa thanks to a completely repositioned distribution franchise and a booming bitumen sector in Africa, as well as niche positions in LPG distribution in Europe, ensuring strong cash flow generation.

While the Group's investments will increase in the photovoltaic sector from 2023 with the materialisation of a project portfolio exceeding 3.5 GWp for nearly €700 million between 2022 and 2026, the Group is not ruling out acquisitions in its historical sector, with a financing capacity of around €400 million, while maintaining its ability to pay dividends and ensuring a solid financial position.

FINANCIAL STRUCTURE

(in millions of euros)	31/12/2022	31/12/2021
Total equity	2,860	2,736
• *of which Group share*	*2,733*	*2,617*
Cash	805	875
Financial debt excluding lease liabilities	2,091	1,313
Net financial debt(1)	1,286	438
Corporate net financial debt(2)	930	438
Net debt/equity ratio(1)	45%	16%
Net debt/EBITDA ratio(1)	2.0x	0.9x
Corporate net debt/EBITDA ratio(2)	1.5x	0.9x

(1) Excluding IFRS 16.
(2) Excluding non-recourse debt at the Photosol SPV level.

In total, Rubis generated cash flow of €432 million (-7%) and cash flows from operating activities of €421 million, compared to €295 million in 2021. Investments of €259 million include Rubis Énergie's share, *i.e.*, €215 million, of which 80% in maintenance and 20% in growth and energy transition investments, and €44 million for Photosol's photovoltaic facilities. The price paid for 80% of the Photosol shares, plus the Mobexi shares (photovoltaic rooftops) reached €349 million. Cash flow effects, in particular the takeover of debt, recorded under change in scope, amounted to €398 million.

ANALYSIS OF CHANGES IN THE NET FINANCIAL POSITION SINCE THE BEGINNING OF THE FINANCIAL YEAR

(in millions of euros)	
Financial position (excluding lease liabilities) as of 1 January 2022	**(438)**
Cash flow	432
Change in working capital requirement (including taxes paid)	(52)
Group investments	(259)
Net acquisitions of financial assets	(349)
Other flows of which lease liabilities	(20)
Photosol current account taken over by Rubis Photosol	(42)
Dividends paid to shareholders and non-controlling interests	(202)
Dividends received and other investment flows (Rubis Terminal)	39
Increase in equity	3
Impact of change in scope of consolidation and exchange rates	(398)
Financial position (excluding lease liabilities) as of 31 December 2022	**(1,286)**

ACTIVITIES

Rubis Énergie

Rubis Énergie includes, on the one hand, the **Retail & Marketing** activity distributing fuels, including the service station networks, liquefied gas, bitumen, commercial heating oil, aviation and marine fuel and lubricants, carried out in the three regions (Europe, Caribbean, Africa), and on the other hand, the **Support & Services** activity, bringing together activities upstream of Retail & Marketing: refining, supply, trading, shipping and logistics.

RUBIS ÉNERGIE RESULTS

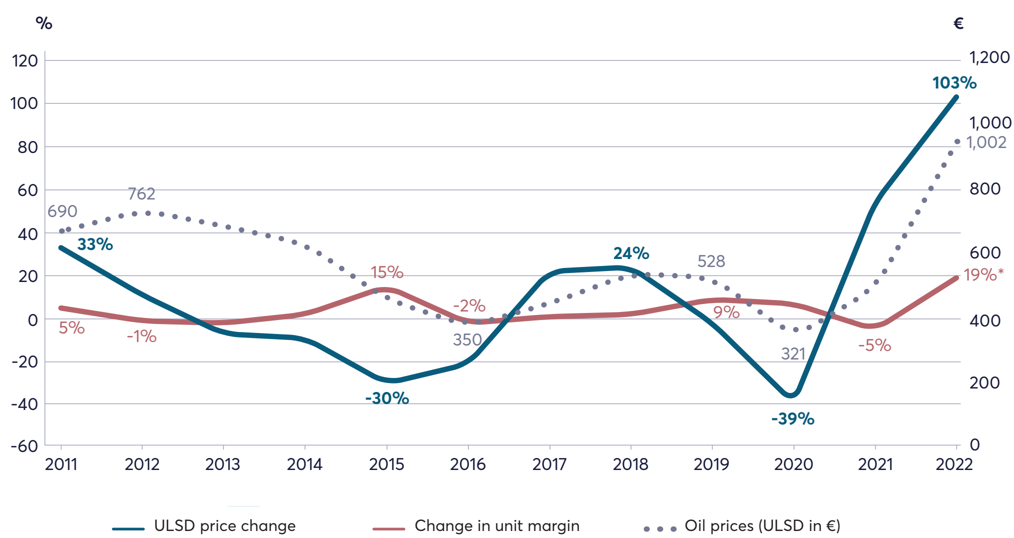
(in millions of euros)	2022	2021	Change
Volumes distributed (in thousands of m^3)	5,487	5,401	+2%
Revenue	7,102	4,589	+55%
EBITDA	680	551	+23%
EBIT	540	412	+31%
Cash flow	440	475	-7%
Investments	215	206	

Retail & Marketing

PETROLEUM PRODUCTS PRICES

The financial year 2022 took place in a context of the doubling of petroleum product prices compared to 2021, with high volatility during the period. This configuration did not prevent adjusted unit distribution margins* from increasing by 19%.

Generally speaking, and with the exception of financial year 2022 as explained earlier, Rubis operates in markets that allow it to transfer price volatility to the end customer (price formula systems or no constraints at all on prices) and, as such, to keep its margins relatively stable over the long term.



* *Margin adjusted for foreign exchange losses in Nigeria.*

SUMMARY OF SALES VOLUMES IN THE FINANCIAL YEAR 2022

Through its 31 profit centres, the division sold 5.5 million m³ during the period in retail distribution (+2%), returning to its pre-pandemic level.

CHANGE IN VOLUMES BY REGION 2019-2022

(in thousands of m³)	2022	2021	2020	2019	2022 vs 2021
Europe	856	872	816	900	-2%
Caribbean	2,172	2,070	1,963	2,298	+5%
Africa	2,458	2,459	2,269	2,296	0%
TOTAL	**5,487**	**5,401**	**5,049**	**5,494**	**+2%**

In 2022, these volumes were spread across the three regions – Europe (16%), the Caribbean (40%) and Africa (44%) – offering the Group valuable diversity in terms of climate, economy (emerging countries and developed economies) and by type of end use (residential, transport, industry, utilities, aviation, marine, lubricants).

Volumes by product category break down as follows: 38% for service station networks, 32% for all other fuels (aviation, commercial heating oil, non-road diesel, lubricants, naphtha), 22% for LPG and 8% for bitumen.

SALES PROFIT

The gross sales profit reached €801 million, up 25%, reduced to 21% adjusted for the pass-through of the exchange rate depreciation on the sale price to customers in Nigeria (with exchange losses in "Other finance income and expenses").

RETAIL & MARKETING GROSS PROFIT

	Gross profit (in millions of euros)	Breakdown	2022 vs 2021	Gross profit (in euros/m³)	2022 vs 2021
Europe	197	26%	+1%	230	+3%
Caribbean	280	37%	+35%	129	+29%
Africa*	290	38%	+26%	118	+26%
TOTAL	**767**	**100%**	**+21%**	**140**	**+19%**

** Adjusted for the impact of foreign exchange in Nigeria.*

RESULTS OF THE RETAIL & MARKETING ACTIVITY

The EBITDA and EBIT operating aggregates recorded an increase of 30% and 37% respectively in 2022.

RESULTS OF THE RETAIL & MARKETING ACTIVITY

(in millions of euros)	2022	2021	Change
Volumes distributed (in thousands of m³)	5,487	5,401	+2%
Revenue	6,061	3,993	+52%
EBITDA	503	387	+30%
EBIT	396	289	+37%
Cash flow	268	320	-16%
Investments	141	159	

Europe, positioned mainly in LPG distribution, was affected by unfavourable weather conditions (volumes: -2%) and an increase in operating and transport costs, contributing to the 18% decline in EBIT.

The **Caribbean** region (excluding Haiti) recorded a significant improvement in volumes in 2022 (+13%), driven by the strong rebound in the tourism/aviation sector and margins. Haiti experienced another difficult financial year, generating foreign exchange losses and leading to a €40 million goodwill impairment in the Group's financial statements. Overall, the region posted a 62% increase in EBIT.

Finally, **Africa** recorded a good performance in terms of volumes (+3% excluding aviation), with EBIT of €205 million (+51% vs 2021). Adjusting for the pass-through in Nigeria of the exchange rate depreciation on the selling price to the customer, EBIT increased by 26% vs 2021. East Africa continues its efforts to optimise and invest in the service station network, resulting in a 28% increase in service station volumes.

Capital expenditure totalled €141 million over the financial year, spread across the 27 operating subsidiaries. It covered recurring investments in service stations, terminals, tanks, cylinders and customer facilities, aimed principally at bolstering market share growth, as well as investments in facility maintenance.

Retail & Marketing Europe

Spain – France – Channel Islands – Portugal – Switzerland

RESULTS OF THE EUROPE SUB-GROUP

(in millions of euros)	2022	2021	2020	2019	2022 vs 2021
Volumes distributed (in thousands of m³)	856	872	816	900	-2%
Revenue	833	682	551	659	+22%
EBITDA	96	105	96	97	-9%
EBIT	58	71	61	62	-18%
Investments	34	30	39	28	

The Europe region has the Group's strongest liquefied gas positioning (74% of volumes), with two-thirds of its customer base estimated to be residential.

Volumes were down by 2% over the financial year as a whole, affected by a historically warm winter (climate index down 22% in France compared to 2021), as well as by a high basis for comparison with the previous year. Unit margins remained firm, with the exception of Corsica.

Retail & Marketing Caribbean

French Antilles and French Guiana – Bermuda – Eastern Caribbean – Jamaica – Haiti – Western Caribbean - Guyana – Suriname

RESULTS OF THE CARIBBEAN SUB-GROUP

(in millions of euros)	2022	2021	2020	2019	2022 vs 2021
Volumes distributed (in thousands of m³)	2,173	2,070	1,963	2,298	+5%
Revenue	2,577	1,649	1,333	1,851	+56%
EBITDA	168	114	115	167	+47%
EBIT	134	82	80	139	+62%
Investments	51	49	34	46	

A total of 19 facilities distribute fuel locally (406 service stations, aviation, marine, commercial, LPG and lubricants).

Activity in the region benefitted from the end of health restrictions and the strong recovery in tourism thanks to the dynamism of the US economy. As a result, volumes (excluding Haiti) increased by 13%. The sharp increase in the EBITDA and EBIT aggregates enabled it to return to the level of 2019, despite the sharp deterioration in the economic, political and security situation in Haiti.

Haiti had another difficult year, with a deterioration in public order and the political and economic situations. This context, together with an increase in the discount rate applied, led to a €40 million goodwill impairment during financial year 2022.

Retail & Marketing Africa

Bitumen: Senegal – Togo and sub-region - Nigeria – Cameroon – Gabon – Liberia – South Africa

White products/LPG: South Africa – Botswana – Zimbabwe - Djibouti – Ethiopia – Kenya – Réunion Island – Madagascar – Uganda – Rwanda – Zambia – Morocco

RESULTS OF THE AFRICA SUB-GROUP

(in millions of euros)	2022	2021	2020	2019	2022 vs 2021
Volumes distributed (in thousands of m^3)	2,458	2,459	2,269	2,296	0%
Revenue	2,651	1,662	1,450	1,874	+60%
EBITDA	240	167	159	148	+44%
EBIT	205	136	128	123	+51%
Investments	56	80	62	36	

The stability of volumes conceals good growth in service station networks (+17%), a net decline (-33%) in aviation volumes in Kenya, the result of a management decision to optimise margins, and a decline in bitumen (-9%) due in particular to an extended rainy season in Nigeria compared to a high base in 2021.

Gross profit after adjustment for foreign exchange loss in Nigeria in 2022 remained firm at +26%.

In the bitumen sector, general actions to expand the offering to different countries are continuing successfully. Rubis Énergie has significantly increased its container delivery capacity for bitumen, thus enabling it to establish itself competitively in new countries: South Africa, Gabon, Liberia, and Angola in early 2023. The subsidiary is strengthening its logistics resources to support this development, including a new vessel and an import terminal in South Africa that will deliver bulk cargoes.

In East Africa, results continued to grow, with EBIT at +89%; the service station renovation programme including rebranding and associated store openings is accelerating (75% completed out of a total of 400 stations), with concrete results in terms of footfall at points of sale and average unit flows. In Kenya, network sales were up by 39% in 2022 and by 28% in East Africa as a whole, with a doubling of gross profit.

Support & Services

Madagascar – Martinique (SARA) – Barbados and Dubai (trading) – Shipping

RESULTS OF THE SUPPORT & SERVICES DIVISION

(in millions of euros)	2022	2021	2020	2019	2022 vs 2021
Revenue	1,041	596	568	845	+75%
EBITDA	177	165	158	131	+8%
EBIT, of which	144	123	120	108	+17%
• *SARA*	*25*	*26*	*44*	*39*	*-2%*
• *other*	*119*	*97*	*76*	*68*	*+22%*
Cash flow	172	155	140	119	+12%
Investments	74	46	84	57	

This sub-group includes supply tools for petroleum products and bitumen in the Retail & Marketing activity:

- the 71% interest in the refinery in the French Antilles (SARA);
- the trading-supply activity, active in white products in the Caribbean (Barbados) and mostly in bitumen in the Africa/Middle East region with an operational head office in Dubai;
- in support-logistics, shipping (16 vessels) and the "storage and pipe" activity in Madagascar.

The results of the SARA refinery experienced high volatility between 2019 and 2022, more for accounting reasons (recognition of end-of-career indemnities and provisions and subsequent reversals related to the Major Shutdown) than economic; results remain regulated by a formula guaranteeing a return of 9% on equity. As a result, cash flow from operations of €44 million in 2022 is in line with the last-four financial years average.

The contribution of the Support & Services activity (excluding SARA) was €119 million (+22%) and breaks down as follows:

- the volumes handled in trading-supply show an increase in unit margins, while shipping benefitted from the combined effect of better freight rates, investments in new vessels and the development of bitumen sales in Africa;
- port services and pipe activities in Madagascar maintained their historical pace.

Renewable Electricity Production

The Group made a strategic shift in 2021-2022, aimed at supplementing its historical business lines with a renewable energy division, named Rubis Renouvelables. Two significant transactions were carried out:

- the acquisition in 2021 of an 18.5% stake in the share capital of HDF Energy, together with a strategic agreement for priority and majority investment in hydrogen-electricity power plant projects;
- the acquisition of 80% of Photosol, one of the leading independent producers of photovoltaic energy in France. This investment will enable the Group to reach a target of 25% of its EBITDA in renewable energies in the medium term, with a minimum of 2.5 GWp of photovoltaic capacity installed in France by 2030.

The final acquisition of Photosol in April 2022 triggered the creation of the Rubis Renouvelables division, which holds 80% of the Photosol shares and the stake in HDF Energy.

The acquisition of Photosol resulted in the payment of the portion (80%) of the shares for €341 million as well as the assumption of net debt for €417 million (of which €357 million in non-recourse debt as of 31 December 2022). Goodwill amounted to €541 million.

The financial statements of Photosol have been included in the Group's consolidation scope since 1 April 2022.

RESULTS OF THE RENEWABLE ELECTRICITY PRODUCTION DIVISION AS OF 31 DECEMBER 2022 (OVER NINE MONTHS)

(in millions of euros)	2022
Installed capacity (in MWp)	*384*
*Electricity production (in GWh)**	*403*
Revenue	33
EBITDA	18
Investments	44
Net financial debt	417
• *of which SPV financial debt*	*357*

** Electricity production over 12 months 2022.*

As of 31 December 2022, Photosol's portfolio includes:

- 503 MWp of secured capacity (compared to 462 MWp in 2021), including capacities in operation (384 MWp), under construction or awarded (119 MWp);
- a project portfolio exceeding 3.5 GWp, including 1.4 GWp (compared to 0.8 GWp) in advanced development and 2.1 GWp (compared to 2.4 GWp) in early stage.

The financial year 2022 was marked by sharp inflation in the cost of new equipment and by administrative congestion in the granting of building permits and network connections. An agreement was reached between the profession and the CRE(1) to release resources to offset the additional costs on the equipment in the form of an authorisation to sell the electricity production of ongoing projects as soon as they are finalised and for a period of 18 months at market price (higher than the contractual repurchase price). As for the congestion in the processing of building permits, this will result in a delay of 12 to 18 months in the completion of the project portfolio, with a target of 1 GWp of installed capacity in 2026 (2025 previously) for a cumulative investment of €700 million over the period 2022-2026 (compared to 2022-2025 previously) and a target EBITDA of €65 to 70 million in 2027.

Among the main achievements of the financial year:

- entry into the roofing segment, at a time when the latter is encouraged by the renewable energy acceleration law passed in February 2023 (definition of agrivoltaics, acceleration zones and administrative simplifications);
- the signing of a first corporate PPA with Leroy Merlin and actions in the development of this segment of the market expected to grow strongly;
- development outside France (Spain, Italy, Poland, Germany), with a first agreement in the form of a commercial partnership in Spain.

In this context, financial year 2022 accelerated the strengthening of the development teams.

(1) The French Energy Regulatory Commission (CRE) is an independent body that regulates the French electricity and gas markets.

Contribution of the Rubis Terminal JV

Financial year 2022 was rich in achievements for Rubis Terminal:

- final exit from Turkey;
- refinancing of the debt structure (€812 million) in the form of a bank-type infra loan at an average rate of 4.2% compared to 5.625%, an extension of the term to seven years compared to five years and an increase in leverage to 6x, with a dividend pay-out;
- commercial actions towards the energy transition with the conversion of heavy fuel oil tanks to biofuel in Rotterdam and the start-up of ethanol capacities in Rouen;
- in total, storage revenues were up 6%, for a capacity utilisation rate of 91.6% (93.9% in 2021), all countries and segments having contributed to this performance, in particular chemicals (+9%), biofuels (+26%) and fertilisers/vegetable oils (+30%);
- record EBITDA of €124 million, up 2%;
- finalisation of work and marketing of new chemical capacities in the ARA zone, fully leased;
- new extension projects, particularly in Spain (Huelva and Tarragona).

COMMERCIAL AND FINANCIAL RESULTS OF THE RUBIS TERMINAL JV

(in millions of euros)	2022	2021	Change
Storage services (incl. 50% of the Antwerp JV), of which	**235**	**222**	**+6%**
Petroleum products	*122*	*122*	*0%*
• *of which biofuels*	*28*	*22*	*+26%*
Chemical products	*96*	*88*	*+9%*
Agrifood products	*17*	*13*	*+30%*
Breakdown by country			
France	*120*	*115*	*+5%*
Spain	*65*	*59*	*+11%*
ARA	*50*	*50*	*0%*
EBITDA (incl. 50% of the Antwerp JV)	**124**	**122**	**+2%**

Storage revenues increased by 6% while operating costs increased by 10%, due to the effects of inflation in the cost of utilities and the increase in personnel costs (indexation plus the use of temporary staff), so that adjusted EBITDA (including 50% of Antwerp) ultimately recorded an increase of 2%.

Investments during the financial year represented €77 million (including 50% of Antwerp) compared to €58 million, and can be broken down as follows:

- maintenance €27 million (stable);
- development €50 million (compared to €31 million).

CONTRIBUTION OF THE RUBIS TERMINAL JV (55%)

(in millions of euros)	2022	2021
Share of income of the Rubis Terminal JV attributable to Rubis	**4.7**	**4.7**
Dividend paid to Rubis	33.0	18.9
Value of the equity interest in Rubis SCA	287.7	304.6

On a base of 100%, the joint venture's total net debt reached €690 million at the end of 2022. Free cash flow after tax, financial expenses and maintenance investments amounted to €47 million on an annual basis, which, compared to total equity of €547 million, gives a cash return of 9%.

2.2 Events after the reporting period

None.