Second Quarter 2021 results

August 2nd, 2021

SARAS

AGENDA

- Highlights and Scenario
- Segments Review
- Outlook 2021
- Financials
- Additional Information

Important Notice

NON-GAAP MEASURE

ALTERNATIVE PERFORMANCE INDICATORS

With effect from Q4/19, the Group decided to update its accounting policy for the classification of derivative instruments in the reported results, classifying the realised and unrealised gains/losses on commodity and CO2 hedging derivatives within the Reported EBITDA, consistently with the entry of the purchase and sale of crude oil and products, against which they are realized and directly related, despite the recognition of the current value of the same as a counterpart of the income statement. In addition to the improvement objective mentioned above, this decision also stemmed from the options offered by IFRS 9.

In order to give a representation of the Group's operating performance that best reflects the most recent market dynamics, in line with the consolidated practice of the oil sector, the results at operating level and at the level of Comparable Net Result, non-accounting measures elaborated in this management report, are shown by evaluating the inventories on the basis of the FIFO method, however, excluding unrealized gains and losses on inventories deriving from scenario changes calculated by evaluating opening inventories (including the related derivatives) at the same unit values of closing inventories (when quantities rise in the period), and closing inventories at the same unit values of opening inventories (when quantities decrease in the period). Non-recurring items in terms of nature, materiality and frequency have been excluded from both the operating profit and the comparable net profit. The results thus calculated, which are referred to as “comparable”, are not indicators defined

With effect from Q1/21 the Group decided to adopt a new segment reporting consistent with the change introduced by the transition from the CIP6 / 92 contract to the essentiality regime in the operating modes of the Sarlux plant, which takes into account the very high level of integration of the power plant with the refinery. The Group's activities are therefore represented in two segments: Industrial & Marketing, which includes integrated refining and power generation and Marketing, whose plants are highly integrated with refinery logistics. Also included in the segment are the activities previously included in the "Other Activities" segment, headed by the Group’ companies Sartec and Reasar, whose technical services are also dedicated to refining. Renewable, which includes the activities previously included in the segment called "Wind", in line with the development plans in the field of photovoltaics and green hydrogen

In addition, in order to consistently represent the performance of the Group's activities, the historical financial results have been restated according to the new business segments identified as described above.

DISCLAIMER

Certain statements contained in this presentation are based on the belief of the Company, as well as factual assumptions made by any information available to the Company. In particular, forward-looking statements concerning the Company’s future results of operations, financial condition, business strategies, plans and objectives, are forecasts and quantitative targets that involve known and unknown risks, uncertainties and other important factors that could cause the actual results and condition of the Company to differ materially from that expressed by such statements. This presentation has been prepared solely by the company.

Q2/21 Highlights

EUR million	H1/21	H1/ 20	Q2/21	Q2/ 20
Reported EBITDA	**108.7**	**(114.1)**	**81.6**	**(22.4)**
Reported Net Result	0.5	(180.7)	24.3	(67.6)
Comparable **EBITDA**	**8.3**	**71.7**	**19.5**	**15.0**
Comparable Net Result	(70.8)	(41.5)	(23.8)	(41.1)

	June 30th 2021	March 31st 2021	December 31st 2020
Net Financial Position ante IFRS 16	(433)	(437)	(505)
Net Financial Position post IFRS 16	(479)	(475)	(545)

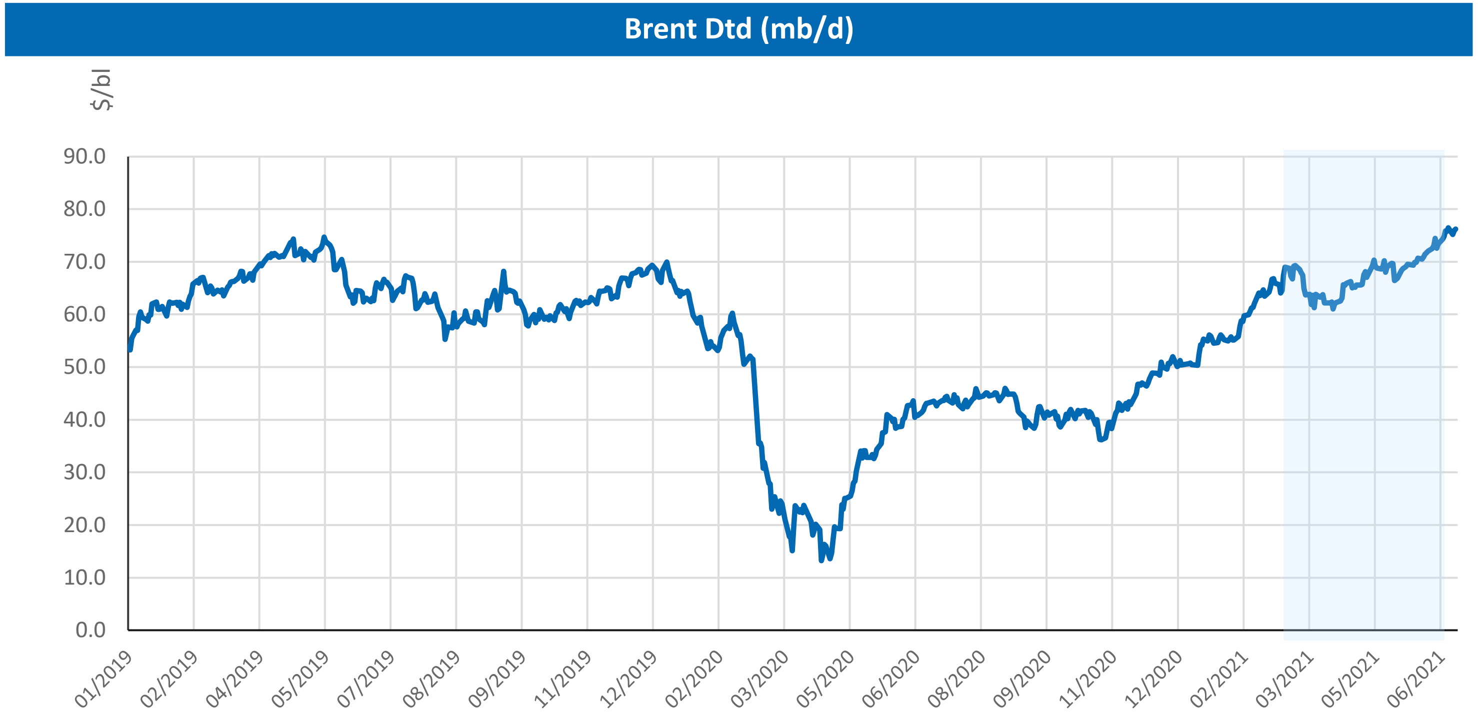
EBITDA *comparable* improving with positive result after four negative quarters, even with still low middle distillates crack margins

EBITDA *reported* further recovered rebalancing the oil price effect on stock inventory evaluation

Low EMC benchmark at -1.6$/bl
Saras Industrial & Marketing high premium at +6$/bl

Net Financial Position (ante IFRS 16) at EUR -433M

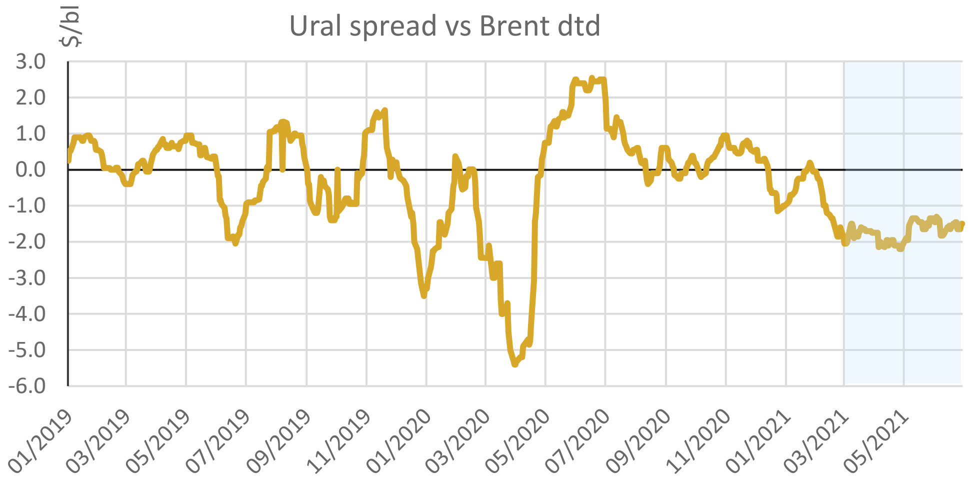
Brent Dated rose to over $70 a barrel in Q2/21

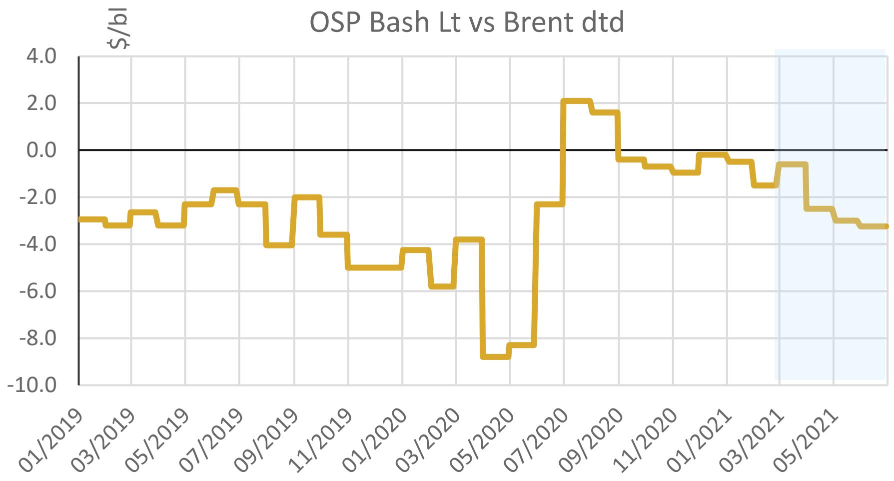


Source: S&P Global Platts; IEA Oil Market Report June 2021

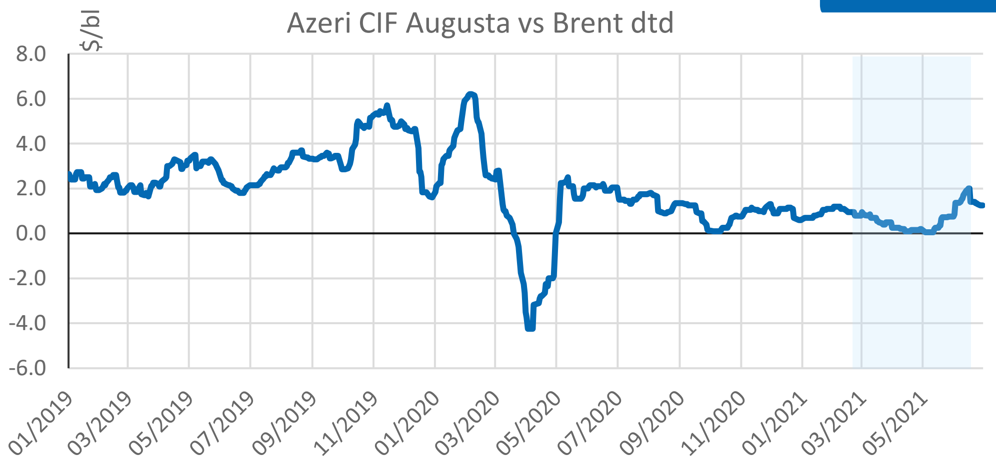
Crude Price Differentials continue to normalize

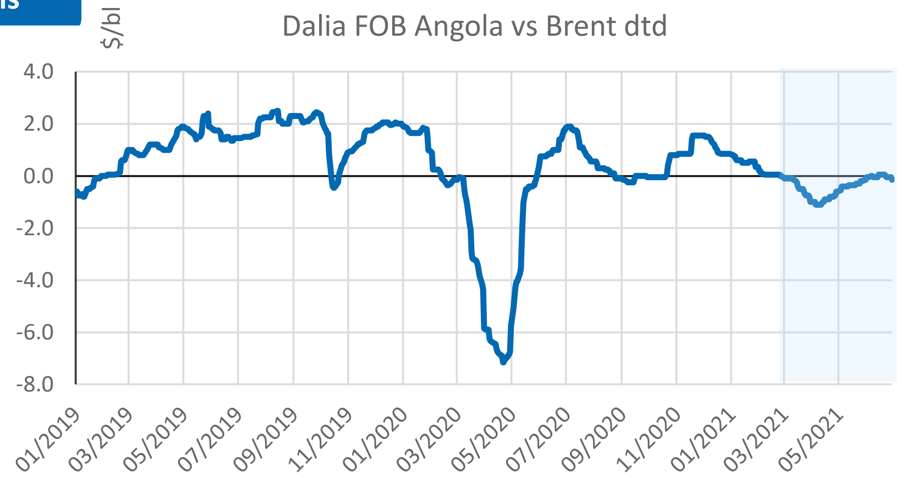
Sour Crudes differentials





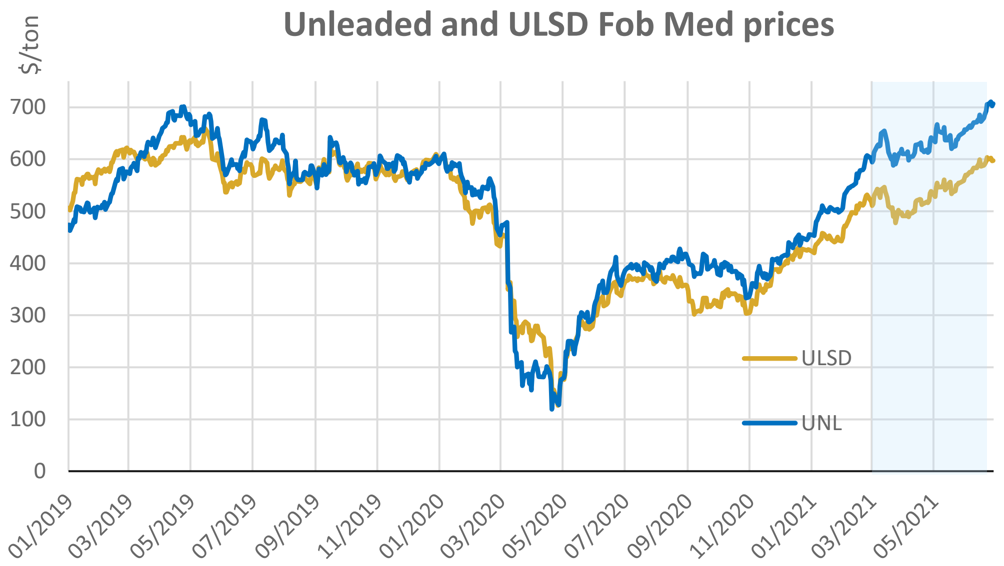
Sweet Crudes differentials

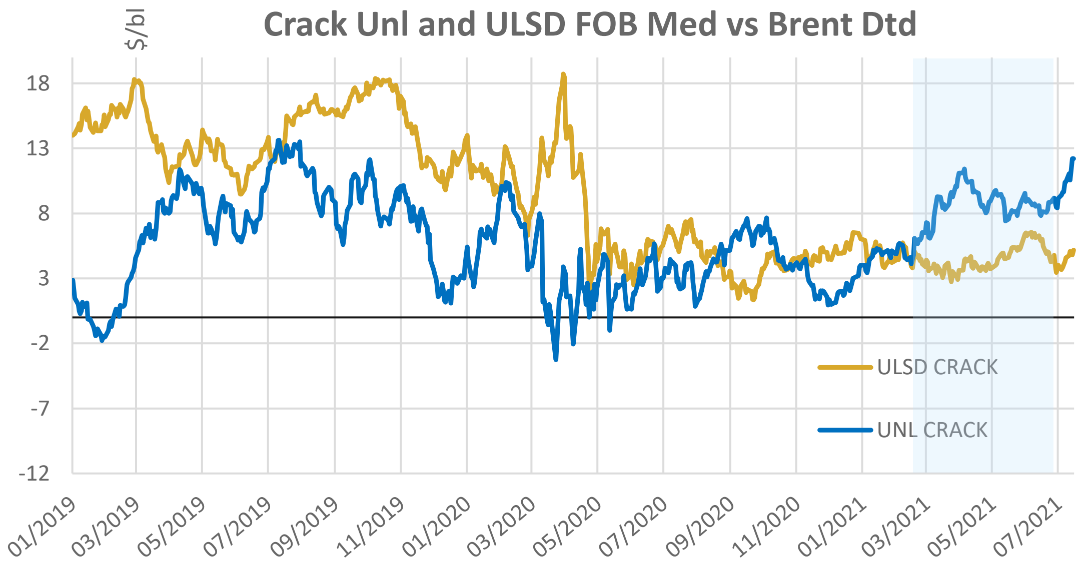




Source: S&P Global Platts

Distillate prices trending upwards with improved cracks

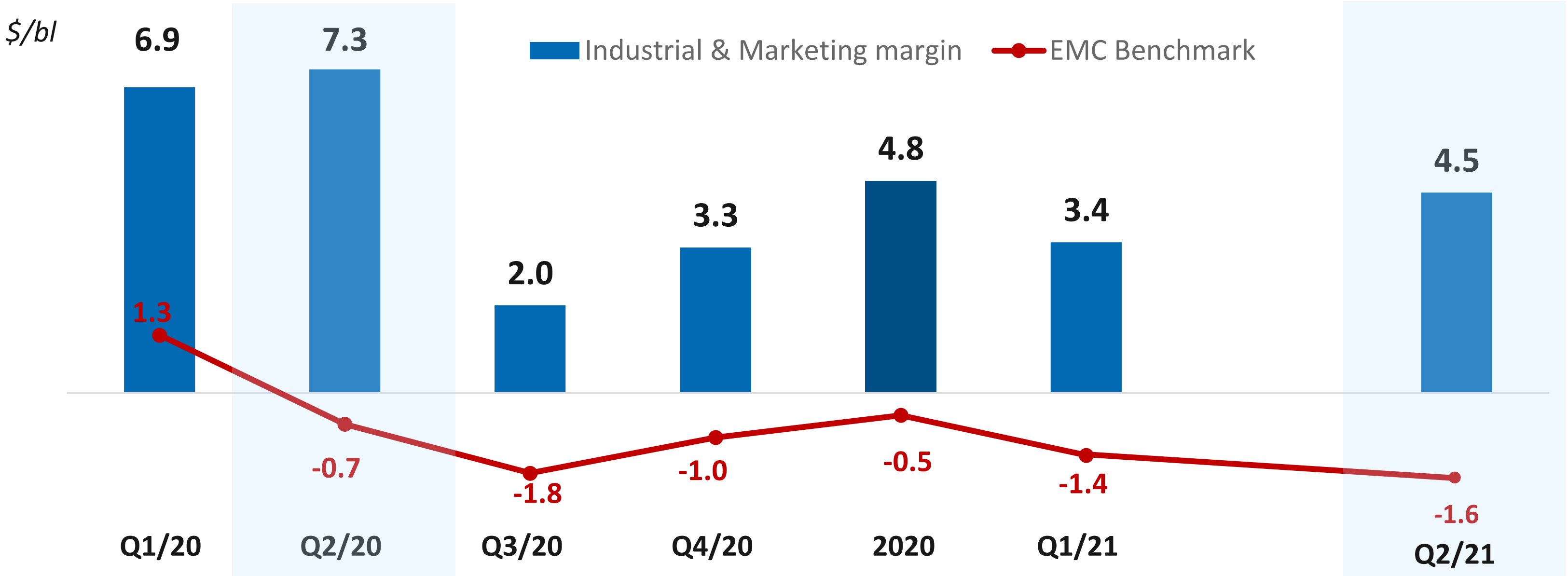




Source: S&P Global Platts; IEA, Oil Market Report June 2021

Saras integrated Industrial & Marketing margins

Q2/21 integrated premium at +6.0$/bl (+6.6$/bl in Q2/20)



Margin Breakdown [1]	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
Refining + Power	6.4	6.5	1.4	2.8	4.2		
Marketing + Other	0.5	0.8	0.6	0.5	0.6	0.3	0.6

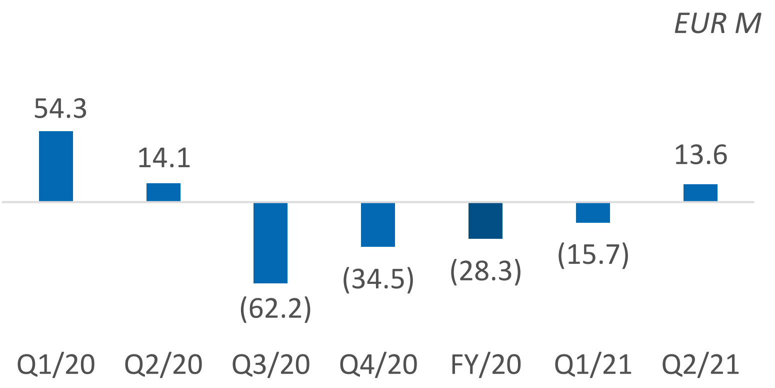
[1] The historical financial results have been restated according to the new business segments: with reference to the margins, the sum of old segment margins corresponds to the new "Industrial & Marketing" margins

I&M margin: (*comparable* integrated Refining + Power + Marketing + Other EBITDA + Fixed Costs) / Refinery Crude Runs in the period
EMC benchmark: margin calculated by EMC (Energy Market Consultants) based on a crude slate made of 50% Urals and 50% Brent

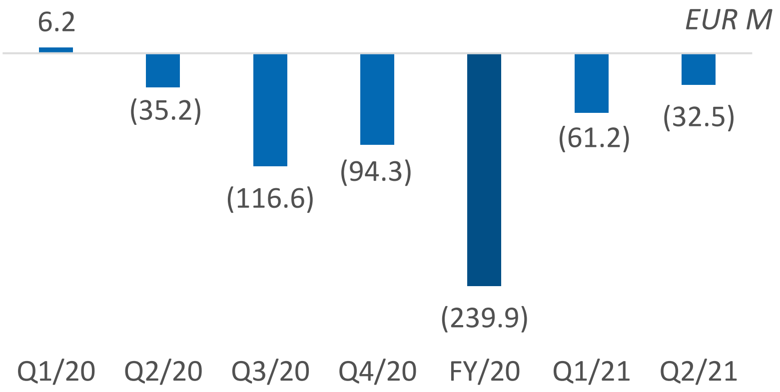
Segment Review

Segments Review: Industrial & Marketing

Comparable EBITDA



Comparable EBIT



[(1)] The historical financial results have been restated according to the new business segments: with reference to the margins, the sum of old segment margins corresponds to the new "Industrial & Marketing" margins

[(2)] not including those specifically relating to sales through the marketing channel

Q2/21 *Comparable* EBITDA at EUR +13.6M (EUR +14.1M in Q2/20)

- **Crude throughput** at 24.6Mb (16.7Mb in Q2/20, which was involved in turnaround activities)
- **Electricity production** at 862GW/h, +8% vs Q2/20 (801GW/h) mainly due to a different maintenance plan
- **Weak refining scenario (EMC at -1.6$/bl vs -0.7$/bl in Q2/20**) impacting for ~ -10€M compared to Q2/20, with middle distillate cracks still low as jet fuel demand delays in recovery and crude prices soared in Q2/21
- **Operating performances** lower by 20€M compared to Q2/20 as a result of a lower contribution from trading activities (extremely positive in Q2/20) partially offset by a lower impact from maintenance plan
- **Fixed cost optimization**[(2)] allowed to only partially offset the increase in **variable costs** (electricity and CO2) with a net negative impact of -25€M in the quarter
- **Marketing contribution** equal to +9.4€M (8.0€M in Q2/20) as seasonality and the higher market share reached in 2020 resulted in higher volumes of sales in Italy
- **Investments** amounted to EUR 15.6€M (88.1€M in Q2/20), reflecting both the capex reduction plan adopted to mitigate the Covid-19 impacts and FCC turn around that involved the Q2/20

H1/21 *Comparable* EBITDA at EUR -2.1M (EUR +68.4M in H2/20)

- **Weak refining scenario** impacting for ~ -70€M compared to H1/20 (low diesel cracks and high crude prices)
- **Operating performances** lower by 15€M vs H1/20 mainly as a result of a lower contribution from trading
- **Fixed cost optimization**[(2)] allowed to only partially offset the increase in **variable costs** (electricity and CO2) with a net negative impact of -25M €in the period
- **Marketing contribution** at +9.3€M vs 12.6€M in H1/20 mainly due to an increase in biofuel feedstock costs
- **Investments** amounted to 33€M (185€M in H1/20), reflecting both the capex reduction plan adopted to mitigate the Covid-19 impacts and FCC turn around that involved the H1/20

EUR million	Q2/21	Q2/20 [1]	H1/21	H1/20 [1]
Comparable EBITDA	13.6	14.1	(2.1)	68.4
Comparable EBIT	(32.5)	(35.2)	(93.7)	(29.0)

Industrial & Marketing Crude Oil Slate and Production

REFINERY RUNS		Q2/21	H1/20	H1/21
Crude oil	*K tons*	3,367	5,431	6,551
Complementary feedstock	*K tons*	187	443	402

CRUDE OIL SLATE		Q2/21	H1/20	H1/21
Light extra sweet		39%	18%	42%
Light sweet		6%	15%	7%
Medium sweet/extra sweet		7%	2%	6%
Medium sour		32%	38%	30%
Heavy sour/sweet		16%	27%	16%
Average crude gravity	° API	33.8	33.0	34.0

PRODUCTION (from crude runs and feedstock)		Q2/21	H1/20	H1/21
LPG	*k tons*	77	76	154
	Yield	2.2%	1.3%	2.2%
Naphtha + gasoline	*k tons*	1,076	1,371	2,066
	yield	30.3%	23.3%	29.7%
Middle distillates	*k tons*	1,710	2,914	3,327
	yield	48.1%	49.6%	47.8%
VLSFO 0.5%	*k tons*	188	190	333
	Yield	5.3%	3.2%	4.8%
Other	*k tons*	60	466	253
	Yield	1.7%	7.9%	3.6%
TAR	*k tons*	n.s.	546	n.s.
	Yield		9.3%	
Electricity production	*GWh*	862	1,986	1,476

Balance to 100% are Consumption & Losses, and - from Q1/21 - TAR

H1/21 vs H1/20

Higher runs in H1/21 due to the turnaround of key units which involved both Q1 and Q2 2020

Increase in light sweet mix and reduction in heavy sour due to the improved gasoline market and to plant configuration / maintenance on the power plant

Higher yield in gasoline to take advantage of market strength vs still low diesel cracks

High yield in VLSFO due to strong demand (bunkering)

In the new I&M integrated segment, the Energy Production becomes the “output” in place of TAR

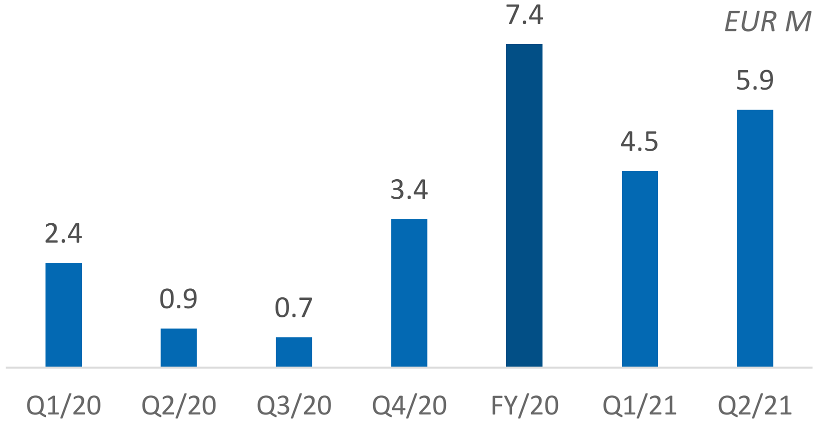
Industrial & Marketing Fixed & Variable costs

		Q2/20 [1]	2020 [1]	Q2/21
Refinery RUNS	*Million barrels*	16.7	83.0	24.6
Exchange rate	*EUR/USD*	1.100	1.142	1.200
Fixed costs	*EUR million*	**97**	**373**	**77**
of which Marketing		3	**13**	3
	$/bl	**6.3**	**5.1**	**3.8**
Variable costs	*EUR million*	**34**	**169**	**81**
of which Marketing		11	**39**	9
	$/bl	**2.2**	**2.3**	**3.9**

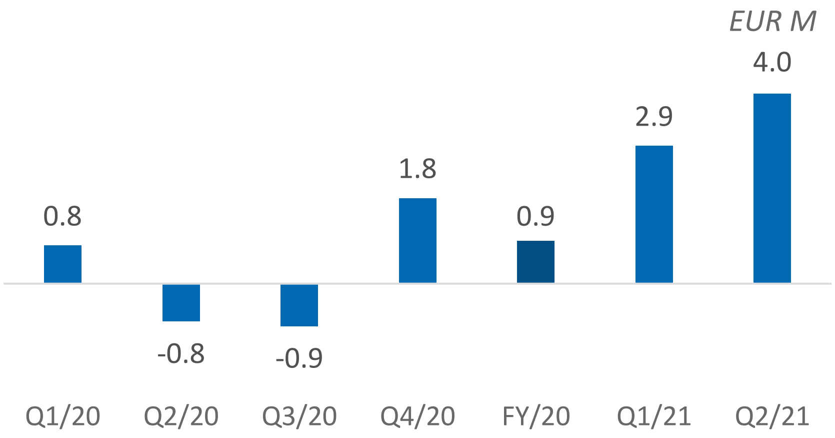
(1) The historical financial results have been restated according to the new business segments

Segments Review: Renewables

Comparable EBITDA



Comparable EBIT



Q2/21 *Comparable* EBITDA at EUR 5.9M (EUR 0.9M in Q2/20)

- Q2/21 EBITDA includes approx. 4€M related to a *badwill* realized with the purchasing agreement of 2 new wind farms at Macchiareddu (Sardinia) finalized on April 30^{th}, 2021
- **Power production** in Q2/21 was higher by 5% vs Q2/20 despite more unfavourable wind conditions, thanks to the contribution of the new farms production (accounting for over 4GWh) and to the Reblading activities, still in progress and to be concluded in Q3/21
- **Incentivized production represented ~8% of volumes** in Q2/21 (compared to 7% in Q2/20)
- **Power Tariff** strongly increased to 6.5 Eurocent/KWh in Q2/21 from 2 Eurocent/KWh in Q2/20
- **Incentive Tariff** slightly increased in Q2/21 (10.9 vs 9.9Eurocent/KWh in Q2/20)
- **Investments in Q2/21 amounted to 20.7€M** and included both the continuation of the reblading activities and the acquisition of the new farms in the area of Macchiareddu.

H1/21 *Comparable* EBITDA at EUR 10.4M (EUR 3.3M in H1/20)

- **Power production** in H1/21 was higher by 8% vs H1/20 and for the same reasons explained above
- **Power Tariff** increased by over 80%, from 3.2 in H2/20 to 5.8 Eurocent/KWh in H1/21
- **Incentive Tariff** slightly increased from 9.9 in H2/20 to 10.9 Eurocent/KWh in H1/21
- **Investments in H1/21 amounted to 25.5€M** (0.9€M in H1/20)

		Q2/21	Q2/20	H1/21	H1/20
Power production	*GWh*	47	45	128	119
Comparable EBITDA	*EUR million*	5.9	0.9	10.4	3.3
Comparable EBIT	*EUR million*	4.0	(0.8)	6.9	0.0

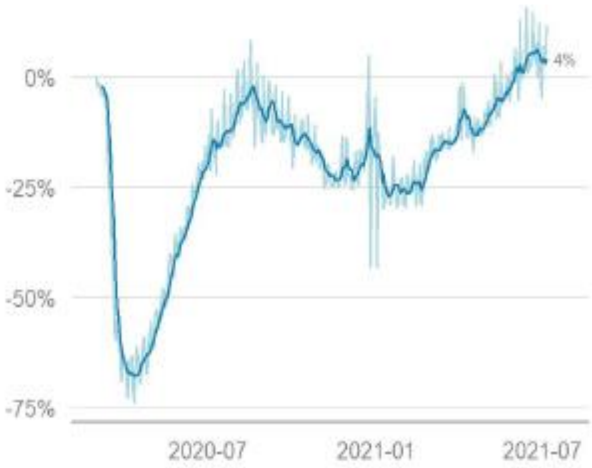
Outlook

Global Mobility data show a rebound in June

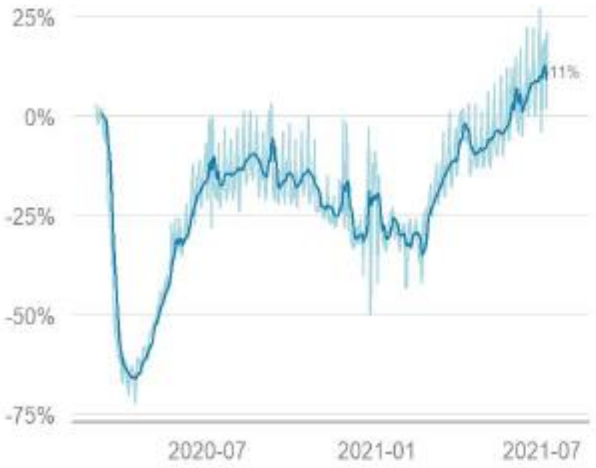
Miles/Kilometers Driven

% change vs baseline taken between 11-25 Feb 2020; Global index is weighted by oil demand

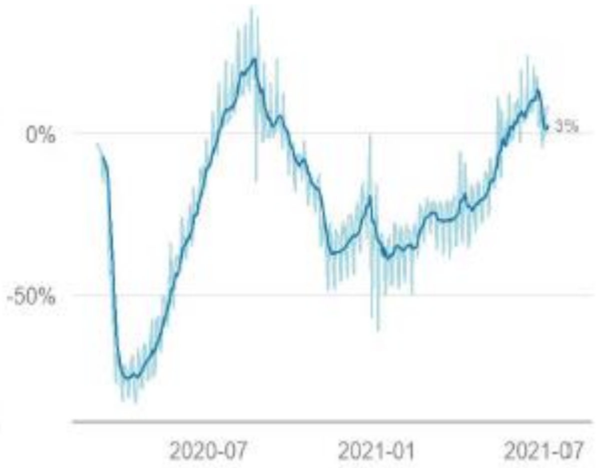
Global



United States



Europe

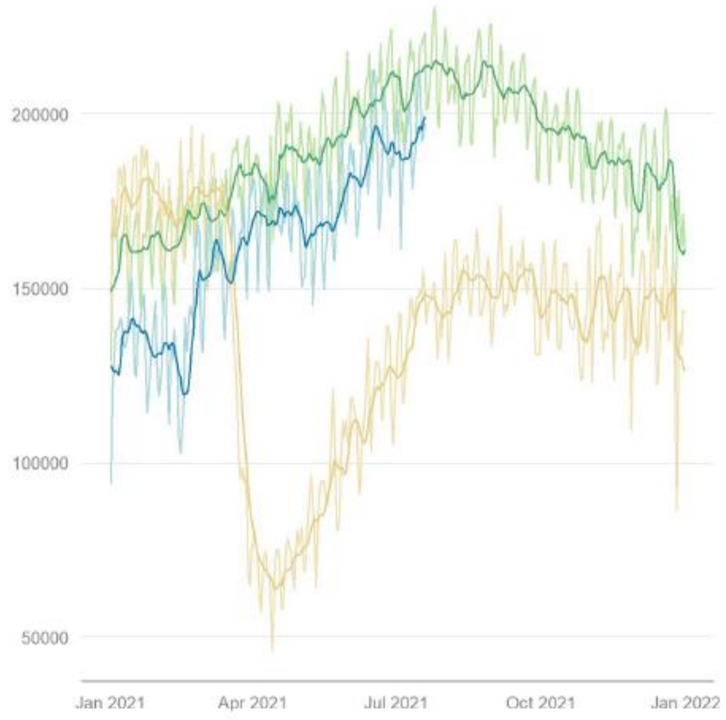


Source: Waze

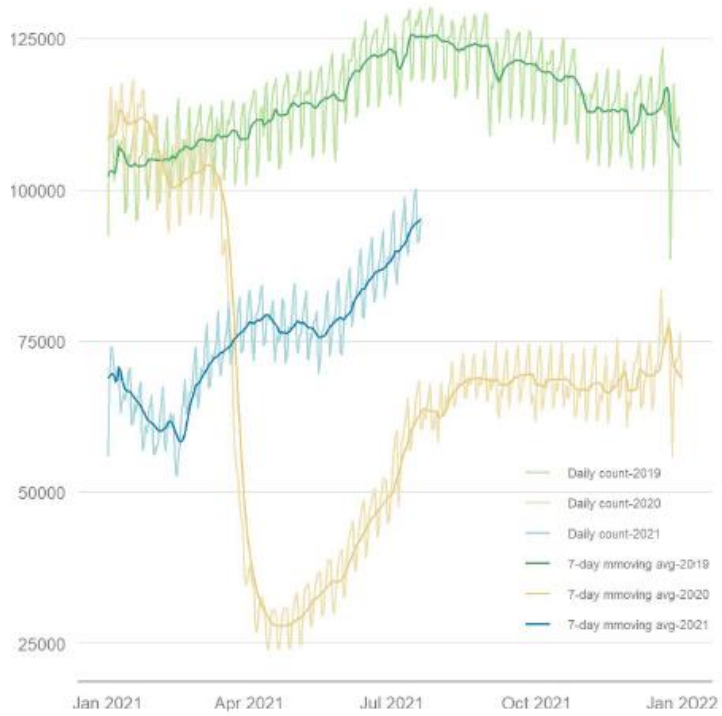
- Strong recovery in oil demand came on the back of falling Covid cases in India and South America, as well as seasonally rising mobility in the northern hemisphere thanks to the continuing expansion of vaccination campaigns
- Mobility data show US travel in recent weeks far exceeding pre-Covid levels
- For the second quarter as a whole, European oil demand rose by 750 kb/d q-o-q, supported by higher transport fuel demand

Aviation is rising globally

All observed flights



Commercial flights only

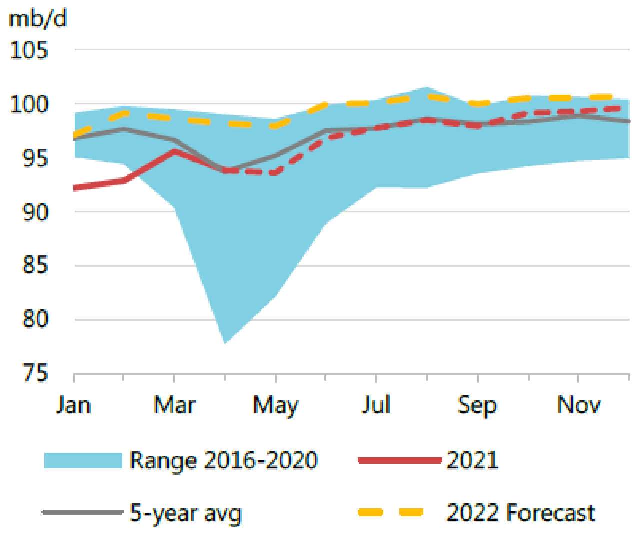


Source: Flightradar24

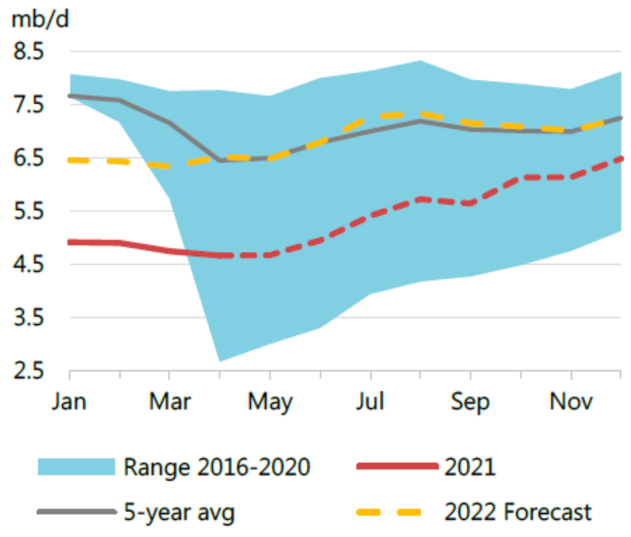
Total number of flights is rapidly increasing on a global scale, and pent-up demand should support more travelling during H2/21

Global oil demand expected to return to pre-pandemic levels in H2/2021, with jet fuel starting to improve

World Oil Product Demand (mb/d) outlook



World Jet / Kerosene Demand (mb/d) outlook

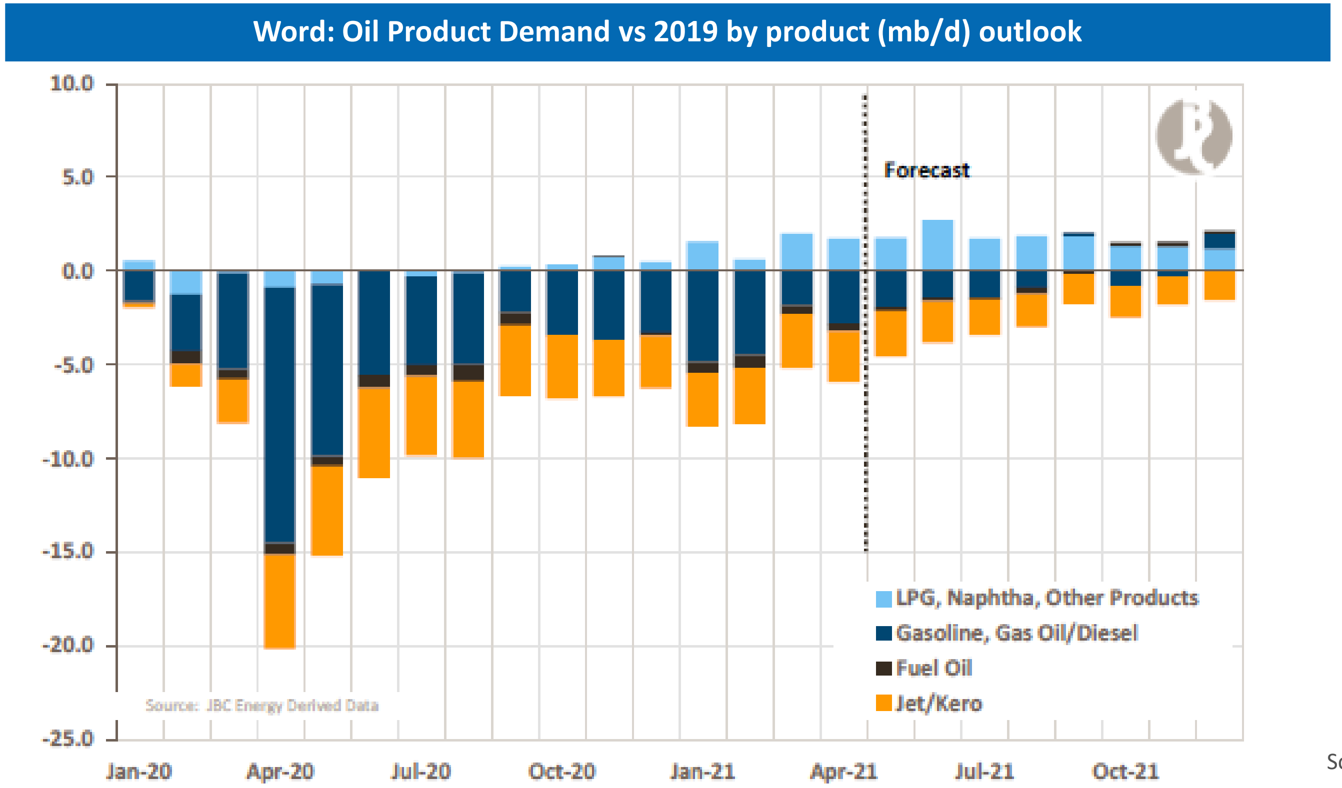


Source: IEA, Oil Market Report July 2021

- **Oil demand is expected to return stronger and above 98mb/day in H2/21, close to pre Covid levels[1]**
- **A significant increase in demand is expected from gasoline and petchems**
- **Jet fuel still represents the biggest share of missing demand, but is expected to improve in H2/21 and 2022 with US, Europe and China likely to lead the rebound**

[1] Average oil demand was 99.7 mb/d in 2019 and 91.1 mb/d in 2020 (IEA, Oil Market Report June 2021)

Middle distillates on course to rebalance



Source: JBC, Refinery Outlook, June 2021

Jet fuel demand showed relevant signs of improvement since June in US and Europe with the potential for a relative strengthening from its recent consumption lows

Outlook 2021

INDUSTRIAL & MARKETING

- **Refining scenario progressively recovering**, with:
  - Brent Dtd expected at current level in Q3/21 and gradually rebalancing in Q4/21
  - Growing demand, including a gradual recovery in jet fuel consumption from H2/2021, with a positive impact on middle distillates cracks
- **Cost saving program** for 2021 underway and accruing the expected results
- **Investment plan** to be revised from 55 to 85€M in 2021 to maintain the refinery industrial asset competitive position
- **Power cost reintegration framework** and essential capacity in place
- **Guidance on the Full Year expected to deliver an average integrated premium above the benchmark of 4.7 ÷ 5.2 $/bl** (from the previous guidance of 3.8-4.3 $/bl) **including the results of the marketing, equal to ~ 0.4 $/bl** (from the previous guidance of 0.3$/bl)

		Q1/21	Q2/21	Q3/21E	Q4/21E	2021E
Crude runs	*Tons (M)* *Barrels (M)*	3.2 23.2	3.4 24.6	3.2 ÷ 3.4 23.4 ÷ 24.8	3.3 ÷ 3.5 24.1 ÷ 25.7	13.1 ÷ 13.5 95.3 ÷ 98.3
Power production	*MWh (M)*	0.6	0.9	2.0 ÷ 2.1		3.5 ÷ 3.6

RENEWABLE

Expansion plan advancing in line with budget:

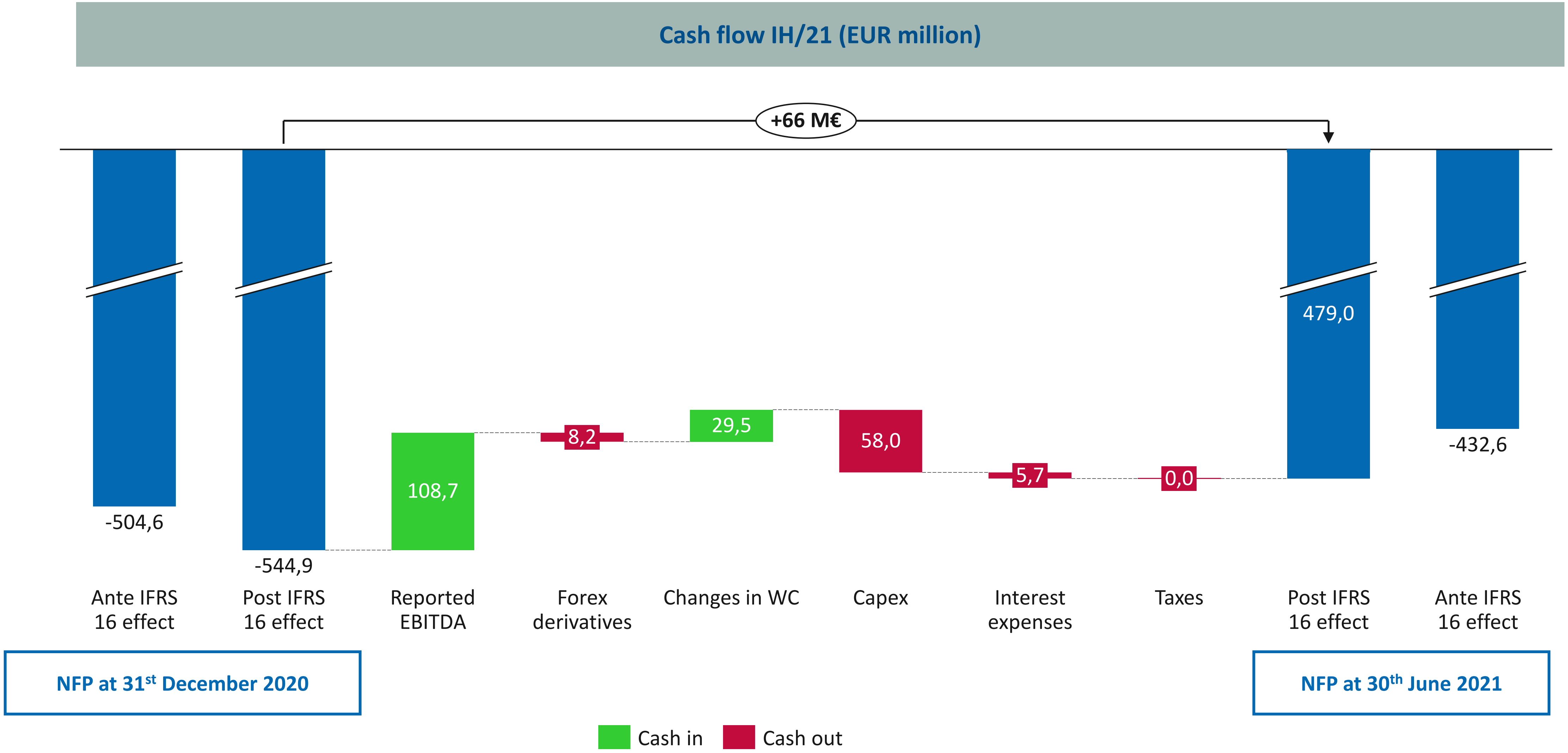
- Acquisition of Macchiareddu farms completed in April 2021 with an additional installed capacity of 45MW (total Wind capacity 171MW)
- Completion of the Reblading activities on the Ulassai' farm with a power production increase from 270 to 300GWh/year
- Authorization processes at an advanced stage for further 80MW of photovoltaic and 20MW of wind, to be completed in Q4/21 and construction to start in early 2022
- Investment plan for 500MW of total installed capacity by 2024 is on track.

NET FINANCIAL POSITION

NFP expected to rebalance part of the working capital improvements achieved in H1, with a year-end debt expected not above the level posted at 2020-year end.

Financials

Financials: Net Financial Position evolution



Financials: Key Income Statement Figures

KEY INCOME STATEMENT (EUR million)	2019(*)	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
EBITDA	**252.8**	**-92**	**-22.4**	**36.3**	**-9**	**-87.1**	**27.1**	**81.6**
***Comparable* EBITDA**	**313.8**	**56.7**	**15**	**-61.5**	**-31.1**	**-20.8**	**-11.2**	**19.5**
D&A	-198.5	-49.7	-44.3	-56	-115.3	-254	-47.2	-48.0
EBIT	**54.1**	**-142**	**-73.4**	**-19.7**	**-106**	**-341**	**-20**	**33.6**
***Comparable* EBIT**	**115.1**	**7**	**-36**	**-118**	**-95.2**	**-239**	**-58.3**	**-28.5**
Interest expense	-18.2	-4.7	-2.3	-4.5	-4.8	-16.4	-3	-4.2
Other	-0.5	-12.8	4.8	8.1	2.4	2.5	-12.2	5.6
Financial Income/Expense	**-18.8**	**-17.5**	**2.4**	**3.6**	**-2.4**	**-14.1**	**-15.3**	**1.3**
Profit before taxes	**35.3**	**-159**	**-71**	**-16.1**	**-109**	**-355**	**-35.3**	**34.9**
Taxes	-9.2	46	3.5	22.8	7.2	79.4	11.6	-10.6
Net Result	**26.2**	**-113**	**-67.6**	**6.7**	**-102**	**-276**	**-23.8**	**24.3**
Adjustments	41.1	112.7	26.5	-76.1	15.6	78.5	-23.3	-48.1
***Comparable* Net Result**	**67.3**	**-0.4**	**-41.1**	**-69.6**	**-86**	**-197**	**-47.1**	**23.8**

Financials: Comparable Results Adjustments

EBITDA Adjustment (EUR million)	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
Reported EBITDA	**253**	**-92**	**-22.4**	**36.3**	**-9**	**-87**	**27.1**	**81.6**
Gain / (Losses) on Inventories and on inventories hedging derivatives	53.9	155.2	35.9	-107.5	-51.4	32.2	-38.2	-62.8
Forex derivatives	-1.9	-7.6	0.7	8.1	4.2	5.3	-7.1	2.8
Non-recurring items	8.9	1.1	0.8	1.7	25.1	28.8	7	-2.1
Comparable EBITDA	**314**	**56.7**	**15**	**-61.5**	**-31.1**	**-21**	**-11.2**	**19.5**

Net Result Adjustment (EUR million)	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
Reported Net Result	**26.2**	**-113**	**-67.6**	**6.7**	**-102**	**-276**	**-23.8**	**24.3**
Gain & (Losses) on inventories and on inventories hedging derivatives net of taxes	38.9	111.9	25.9	-77.5	-37	23.4	-27.6	-45.3
Non-recurring items net of taxes	2.3	0.8	0.6	1.2	52.6	55.2	4.3	-2.8
Comparable Net Result	**67.3**	**-0.4**	**-41.1**	**-69.6**	**-86**	**-86**	**-47.1**	**-23.8**

Financials: CAPEX

CAPEX BY SEGMENT (EUR million)	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
Industrial & Marketing	318	97	88.1	33.5	19.1	225.7	16.9	15.6
Renewables	26.4	0.3	0.6	0.8	5.9	7.5	4.8	20.7
TOTAL CAPEX	345	97.3	88.7	37.5	32	255.5	21.7	36.3

(1) The historical financial results have been restated according to the new business segments

Balance Sheet

EUR million	31/03/2019	30/06/2019	30/09/2019	31/12/2019	31/03/2020	30/06/2020	30/09/2020	31/12/2020	31/03/2021	31/06/2021
Trade receivables	252	264	347	352	187	247	261	257	231	439
Inventories	1	1,063	1,206	1,041	599	725	724	737	875	920
Trade and other payables	(1)	(1,414)	(1,540)	(1,649)	(1,084)	(1,057)	(916)	(917)	(1,079)	(1,297)
Working Capital	**54**	**(87)**	**12**	**(256)**	**(298)**	**(84)**	**69**	**77**	**27**	**62**
Property, plants and equipment	1	1,212	1,227	1,273	1,330	1,377	1,367	1,311	1,289	1,280
Intangible assets	101	94	86	78	71	64	56	47	46	45
Right of use (IFRS 16)	51	50	44	50	49	47	44	43	41	49
Other investments	1	1	1	1	1	0	1	1	1	1
Other assets/liabilities	(4)	13	12	46	136	38	35	46	75	32
Tax assets / liabilities	(86)	(132)	(96)	35	69	(18)	(53)	52	1	(45)
Other Funds	(214)	(163)	(181)	(204)	(153)	(163)	(183)	(253)	(250)	(158)
Assets held for sale	35	39	7	7	7	1	6	6	6	0
Total Net Capital Invested	**1**	**1,026**	**1,112**	**1,029**	**1,211**	**1,262**	**1,342**	**1,330**	**1,235**	**1,266**

Total equity	**1.1**	**1,054**	**1,097**	**1,059**	**940**	**880**	**886**	**785**	**760**	**787**
Net Financial Position pre IFRS 16	**48**	**77**	**29**	**79**	**(223)**	**(337)**	**(413)**	**(505)**	**(437)**	**(433)**
IFRS 16 effect	**(52)**	**(49)**	**(44)**	**(49)**	**(48)**	**(45)**	**(43)**	**(40)**	**(38)**	**(46)**
Net Financial Position post IFRS 16	**(4)**	**28**	**(15)**	**30**	**(271)**	**(382)**	**(456)**	**(545)**	**(475)**	**(479)**

Additional Information

Additional information: Industrial & Marketing

EUR million	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
EBITDA	(95)	(23)	36	(12)	(94)	23	75
***Comparable* EBITDA**	**54**	**14**	**(62)**	**(35)**	**(28)**	**(16)**	**14**
EBIT	(143)	(73)	(19)	(107)	(341,3)	(23)	29
***Comparable* EBIT**	**(6)**	**(35)**	**(117)**	**(94)**	**(240)**	**(61)**	**(33)**
CAPEX	**97**	**88.2**	**36.7**	**26.3**	**227.2**	**16.9**	**15.6**
REFINERY RUNS							
Crude oil (ktons)	**3,138**	**2,293**	**2,903**	**3,036**	**11,369**	**3,185**	**3,367**
Crude oil (Mbl)	**22.9**	**16.7**	**21.2**	**22.2**	**83**	**23.2**	**24.6**
Crude oil (bl/d)	**255**	**184**	**233**	**244**	**229**	**258**	**270**
Complementary feedstock (ktons)	**232**	**211**	**130**	**129**	**702**	**215**	**187**
REFINERY MARGINS							
EMC benchmark	**1.3**	**(0.7)**	**(1.8)**	**(1.0)**	**(0.5)**	**(1.4)**	**(1.6)**
Saras I&M margin	**6.9**	**7.3**	**2**	**3.3**	**4.8**	**3.4**	**4.5**

[(1)] The historical financial results have been restated according to the new business segments

Additional information: Renewables

EUR million		Q1/19	Q2/19	Q3/19	Q4/19	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21
***Comparable* EBITDA**		**3.6**	**2.5**	**0.7**	**3.2**	**10**	**2.4**	**0.9**	**0.7**	**3.4**	**7.4**	**4.5**	**5.9**
***Comparable* EBIT**		**2.3**	**1.3**	**-0.5**	**1.5**	**4.6**	**0.8**	**0.9**	**-0.9**	**1.8**	**0.9**	**2.9**	**4**
POWER PRODUCTION	*MWh*	**66,054**	**43,852**	**26,366**	**84,091**	**220,363**	**74,038**	**44.98**	**30.34**	**76,173**	**225,530**	**80,895**	**47,279**
POWER TARIFF	*€cent/kWh*	5.6	4.5	4.7	4.2	4.7	3.9	2	4.1	4.9	3.7	5.4	6.5
INCENTIVE	*€cent/kWh*	9.2	9.2	9.2	9.2	9.2	9.9	9.9	9.9	9.9	9.9	10.9	10.9
CAPEX		**0.9**	**18.9**	**2.4**	**4.1**	**26.4**	**0.3**	**0.6**	**0.8**	**5.9**	**7.5**	**4.8**	**20.7**