



The Board of Directors of Saras S.p.A. approves the Interim Financial Report as of 31st March 2024¹

- **Group reported EBITDA at EUR 177.5 million** (EUR 246.4 million in Q1'23) in light of a positive scenario with crack spreads above historical levels
- **Group reported Net Income at EUR 77.4 million** (EUR 139.1 million in Q1'23)
- **Group comparable EBITDA at EUR 198.1 million** (EUR 285.3 million in Q1'23) due to the effects described for the reported results, excluding the impacts of the scenario on inventory stock valuation
- **Group comparable Net Income at EUR 96.9 million** (EUR 162.0 million in Q1'23)
- **Net Financial Position, before IFRS 16, positive for EUR 138.7 million** (positive for EUR 202.7 million as of 31st December 2023)

After the Board meeting, the Chairman, **Massimo Moratti**, commented: *"The first quarter ended with very solid results thanks to a positive scenario, with cracks of the main products above historical averages, although lower than those reached in the first quarter of 2023. The refinery's performance was good, capturing the context favourable market. The outlook for 2024 remains constructive. As regards the operation with Vitol announced last February, the authorization process continues. In particular, on 26 April the Italian Prime Minister's Office issued the "golden power" decree, containing prescriptions that are no obstacle to the completion of the Transaction. This implies that one of the two conditions precedent for completion of the Transaction is satisfied. We are now awaiting the authorizations under the European Union regulations on foreign subsidies and antitrust."*

Milan, May 14th, 2024: Saras S.p.A. Board of Directors met today and approved the Interim Financial Report as of 31st March 2024, which is not subject to audit review. It should be noted that, in accordance with EU Directive 2013/50 transposed with Italian Leg. Decree n.25 dated 15th February 2016, which repealed the obligation to prepare the Interim Financial Reports, this Interim Financial Report has been issued on a voluntary basis, in order to ensure information continuity to the financial community in line with previous quarterly disclosure.

¹ The manager in charge of preparing the corporate accounting documents, **Ing. Fabio Peretti**, declares, pursuant to paragraph 2 article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documentary results, books and accounting records of the Company.

Key Group financial and operating results

| EUR million | Q1/24 | Q1/23 | Change % |
|------------------------------|--------------|--------------|-------------|
| REVENUES | 3,031 | 3,466 | -13% |
| Reported EBITDA | 177.5 | 246.4 | -28% |
| Comparable EBITDA | 198.1 | 285.3 | -31% |
| Reported EBIT | 128.1 | 200.0 | -36% |
| Comparable EBIT | 148.7 | 238.9 | -38% |
| NET RESULT reported | 77.4 | 139.1 | -44% |
| Comparable NET RESULT | 96.9 | 162.0 | -40% |

| EUR million | Q1/24 | Q1/23 | Change % |
|-------------|-------|-------|----------|
| CAPEX | 31.0 | 41.1 | -25% |

| EUR million | Q1/24 | Q1/23 | FY 2023 |
|-------------------------------------|-------|-------|---------|
| NET FINANCIAL POSITION ANTE IFRS 16 | 138.7 | 354.9 | 202.7 |
| NET FINANCIAL POSITION POST IFRS 16 | 104.8 | 315.7 | 166.8 |

GAAP and Non-GAAP measure (alternative performance indicators)

To present the Group operating performance in a way that best reflects the most recent market trends, in line with generally accepted practices in the oil sector, the operating profit and comparable net income, non-accounting values processed in this Report on Operations have been stated with the measurement of stocks using the FIFO method, but excluding unrealized gains and losses on stocks resulting from scenario changes calculated by measuring opening stocks (including the related derivatives) at the same unit values as closing stocks (when quantities increase in the period), and closing stocks at the same unit values as opening stocks (when quantities decrease in the period). Items that are non-recurring in terms of their nature, materiality and frequency have been excluded from both the operating profit and the comparable net income.

The results thus calculated, which are referred to as "comparable", are not indicators defined by the International Financial Reporting Standards (IAS/IFRS) and are unaudited. Non-GAAP financial measures should be read together with information determined by applying the International Accounting Standards (IAS/IFRS) and do not stand in for them.

Comments on the Group results for the first three months of 2024

In the first quarter of 2024, Group revenues amounted to EUR 3,031 million, compared to EUR 3,466 million reported in the same period of the previous year. The decrease is due to the changed scenario conditions between the two periods. As regards industrial production, it should be noted that the main production variables are in line with the values recorded in 2023. Specifically, refining runs in the first quarter of 2024 amounted to 25.1 million barrels (vs 24.9 million barrels in Q1'23), non-renewable electricity production amounted to 1,114 GWh (vs 1,089 GWh in Q1'23). From a scenario perspective, the negative impacts of the reductions in the prices of the main oil products and in the sale price of electricity (regulated under the Essentiality Regime) added to the exchange rate trend, with the dollar weakening against the Euro. Specifically, in the first quarter of 2024, the average diesel price was 817 \$/ton (vs 835 \$/ton in Q1'23), the average gasoline

price was 832 \$/ton (vs 840 \$/ton in Q1'23), the National Single Price for the sale of electricity (PUN) was 92 €/MWh (vs 157 €/MWh in Q1'23) and the €/€ exchange rate was 1.09 (vs the €/€ exchange rate of 1.07 in Q1'23).

The Group reported EBITDA amounted to EUR 177.5 million, down from EUR 246.4 million in the first quarter of 2023. The negative change is mainly due to the less favorable scenario conditions characterized by a decrease in the diesel crack and gasoline, an increase in the price of Brent and the reduction in discounts of heavy crudes and with a high sulphur content. Planning and production performances recorded a positive performance compared to the same period of the previous year. On the other hand, supply&trading performances were weaker compared to the exceptional levels of the first quarter of 2023, although still benefitting from a favorable market context across all sales channels. As regards the price dynamics of commodities on oil inventories (net of the related hedging derivatives), they resulted in a loss on inventories net of hedging derivatives equal to EUR 27.0 million compared to a loss of EUR 31.8 million recorded in the same period of 2023. Lastly, it should be noted that the reported EBITDA in Q1'24 benefits from the recalculation of the Avoided Fuel Cost component for the period 2010-2012 under the CIP6/92 provision for EUR 44.1 million.

The Group reported Net Income was EUR 77.4 million, compared to EUR 139.1 million in the first three months of the financial year 2023. In addition to what has already been highlighted in terms of EBITDA, this performance is also due to the overall negative impact of financial income and charges due to the increase in interest rates and the negative effect of the exchange rate, only partially offset by lower taxes due to the reduction in taxable income.

The Group comparable EBITDA stood at EUR 198.1 million, down from EUR 285.3 million in the first quarter of 2023. This result, compared to the reported EBITDA, does not include the above-mentioned negative effect of the scenario on oil inventories between the beginning and the end of the period, and includes the impact of the forex derivatives reclassified in the operating result. The decrease in the result compared to the first quarter of 2023 is attributable to the lower contribution generated by the "Industrial & Marketing" segment, partly offset by a slight rise in the contribution of the "Renewables" segment; both deviations will be better described in the "Segment Review" section.

The Group comparable Net Result amounted to EUR 96.9 million, lower compared to the EUR 162.0 million achieved in the first quarter of 2023, due to the same factors described for the Reported Net Result, net of the negative effect of the scenario on inventory changes between the beginning and the end of the period.

Investments in Q'24 stood at EUR 31.0 million lower than in the first quarter of 2023 (EUR 41.1 million); this decrease is attributable to the Industrial & Marketing segment which carried out a significant Turnaround in 2023.

Calculation of the Group comparable EBITDA

| EUR million | Q1/24 | Q1/23 |
|---|--------------|--------------|
| Reported EBITDA | 177.5 | 246.4 |
| Gain / (Losses) on Inventories and on inventories hedging derivatives | 27.0 | 31.8 |
| Derivatives FOREX | (6.5) | 7.2 |
| Non-recurring items | - | - |
| Comparable EBITDA | 198.1 | 285.3 |

Calculation of the Group comparable Net Result

| EUR million | Q1/24 | Q1/23 |
|--|-------|-------|
| Reported NET RESULT | 77.4 | 139.1 |
| Gain & (Losses) on Inventories and on inventories hedging derivatives net of taxes | 19.5 | 22.9 |
| Non-recurring items net of taxes | - | - |
| Comparable NET RESULT | 96.9 | 162.0 |

Net Financial Position

The Net Financial Position as of 31st March 2024, before the effects of applying IFRS 16, was positive by EUR 138.7 million, compared to the positive position of EUR 202.7 million reported on 31st December 2023. In addition, the Net Financial Position as of 31st March 2024, post-IFRS16, was positive at EUR 104.8 million, compared to the positive Net Financial Position at EUR 166.8 million on 31st December 2023.

A cash absorption of EUR 62 million was recorded in the first quarter of 2024. Operations generated cash for EUR 127 million (including a reported Net Income of EUR 77.4 million and amortization, depreciation, and write-downs of EUR 49.4 million), change in working capital absorbed cash for EUR 189 million, investments absorbed EUR 31 million; lastly, a positive component of EUR 31 million derived mainly as an impact of taxes for the period not yet paid. The change in working capital is mainly due to an increase in trade receivables and a reduction in the provision for CO2 quotas.

| <i>EUR million</i> | 31-Mar-24 | 31-Dec-23 |
|---|----------------|----------------|
| Medium/long-term bank loans | (314.4) | (313.6) |
| Other medium/long-term financial liabilities | (3.3) | (3.5) |
| Other medium/long-term financial assets | 3.5 | 3.8 |
| Medium-long-term net financial position | (314.1) | (313.3) |
| Short term loans | (59.9) | (88.4) |
| Banks overdrafts | (83.6) | (2.8) |
| Other short term financial liabilities | (60.8) | (37.0) |
| Fair value on derivatives and realized net differentials | (22.5) | 53.6 |
| Other financial assets | 90.3 | 48.0 |
| Cash and Cash Equivalents | 589.4 | 542.7 |
| Short-term net financial position | 452.9 | 515.9 |
| Total net financial position ante lease liabilities ex IFRS 16 | 138.7 | 202.7 |
| Financial lease liabilities ex IFRS 16 | (34.0) | (35.9) |
| Total net financial position post lease liabilities ex IFRS 16 | 104.8 | 166.8 |

Reference Market

Oil market

Below is a brief analysis of crude oil price trends, crack spreads of the main refined products, and the reference refining margin (EMC Benchmark) with regard to the European market, which is the main context in which the Saras Group Refining segment operates.

| | Q1/24 | Q1/23 |
|---|-------|-------|
| Crude oil price and differential (USD/bbl) | | |
| Brent Dated | 83.2 | 81.3 |
| Diff. Basrah Medium (CIF Med) vs. Brent Dtd | -2.5 | -7.1 |
| Diff. Azeri Light (CIF Med) vs. Brent Dtd | +6.4 | +6.2 |
| Crack spreads for refined oil products (USD/bbl) | | |
| ULSD crack spread | 26.3 | 30.6 |
| Gasoline crack spread | 16.4 | 19.2 |
| Reference margin (USD/bbl) | | |
| Reference margin (NEW Benchmark) | 8.2 | 10.1 |

Source: "Platts"

Crude oil prices (Brent Dtd, Basrah Medium, Azeri)

In the first quarter of 2024, Brent Dtd recorded an average price of 83.2 \$/bl (compared to an average price of 81.3 \$/bl in the same period of 2023).

In the first quarter, global oil demand increased more than expected, with a growth rate of +1.7 Mbl/d, thanks to the solid performance of the US economy and the growth in consumption of bunkers for marine engines, influenced by the interruption of traffic along the Red Sea.

On the supply side, the first quarter saw a decline of 870 kbl/d due to the extension of OPEC+ production cuts and interruptions due to the difficult weather conditions recorded in North America.

Prices therefore exhibited an increasing trend in the period, going from around 80 \$/bl in January to over 85 \$/bl in March, due to the confirmation of the OPEC+ cuts and bad weather in North America which reduced the operations of some production sites in the area, limiting supply. The above elements were compounded by the effects of longer and more expensive routes for oil flows between Europe and the East, as a result of the Middle Eastern geopolitical crisis that led many vessels to avoid crossing the Suez Canal. As a result, in the first quarter the forward curve assumed a marked *backwardation* structure.

With regard to sour crudes (i.e. those with a high sulfur content), **in the first three months of the year, the Basrah Medium CIF Med recorded an average discount compared to the Brent Dated of -2.5 \$/bl** (vs -7.1 \$/bl in the same period of 2023).

The difference between the two periods is explained by a reduction in the significant discounts for this type of crude oil which already emerged in the second quarter of 2023. In fact, the outbreak of the Russian-Ukrainian conflict initially caused a reduction in demand for Basrah Medium, as traditional Asian buyers had preferred to purchase Russian crude oil, heavily discounted as a result of the embargo imposed by Western countries. Subsequently, in 2023, the prices of Basrah Medium had recovered due to the OPEC+ cuts, reaching a slight premium compared to Brent at the end of 2023. In the first quarter of 2024, the spread then settled at -2.5 \$/bl as a result of the Middle East conflict, which caused problems in crossing the Red Sea, and therefore made it more difficult to sell Basrah Medium in the Mediterranean.

With regard to "sweet" crudes (low sulfur content), **the premium of Azeri Light CIF Med over Brent Dated in the first three months of 2024 averaged +6.4 \$/bl (+6.2 \$/bl in the same period of 2023)**. Although substantially in line with the prices of the same period of 2023, the premium saw an increase compared to the end of the previous year (+5.8 \$/bl in Q4_23) in a context of robust cracks for middle distillates and a recovery for naphtha. The CIF price was also affected by the rally in cross-Med freight rates.

"Crack spreads" of the main refined products (the difference between the value of the product and the cost of crude oil; FOB Med values vs Brent Dtd)

The gasoline crack in the first three months of 2024 recorded an average of 16.4 \$/bl, slightly lower than the same period of the previous year (19.2 \$/bl), but again at higher levels than historical averages. In particular, in the first quarter of 2024, the gasoline crack recorded an increase of +60% compared to the last quarter of 2023, thanks to resilient demand in a context of reduced supplies from the United States, as a result of the extreme cold weather in mid-January, which temporarily interrupted processing by about 1.5 Mbl/d in North America.

The diesel crack (ULSD) averaged 26.3 \$/bl in the first three months of 2024, compared to 30.6 \$/bl in the same period of the previous year. Also in this case, the crack showed significant strength compared to historical averages, albeit lower than the extremely high values recorded in the same period of the previous year, and in line with the last quarter of 2023, albeit with a definite volatility. The prices of diesel in Q1_24 were affected by the same supply limitations from the United States already mentioned with reference to gasoline, as well as the blockage of flows through the Red Sea, which also concerned European imports of middle distillates from the Middle East, increasing their logistics costs and extending refueling time from Asian refineries. Lastly, the extension of OPEC+ production cuts continues to be a limiting factor in the availability of crude oil rich in residues, used in the conversion units for the production of diesel.

The VLSFO crack recorded an average discount of -1.5 \$/bl in the first three months of 2024 (compared to an average discount of -0.2 \$/bl in the same period of 2023, due to a general slowdown in marine traffic compared to the same period of the previous year). Despite this, in the first quarter of 2024 the VLSFO crack recorded an increase compared to the last quarter of 2023 (-2.2 \$/bl): the blockage of trade flows in the Red Sea, and the consequent need for longer routes to circumnavigate the African continent, actually boosted VLSFO consumption. Moreover, exports from some countries in the Middle and Far East also decreased during the quarter, where VLSFO was used in the domestic market for electricity generation, and this contributed to supporting the crack.

The crack of high-sulfur fuel oil (HSFO) in the first quarter of 2024 averaged -14.7 \$/bl, (vs. -25.3 \$/bl in the first quarter of 2023). Until the middle of the quarter, fuel oil continued the recovery trend observed in the last few months of 2023, as HSFO production was limited by the continuation of OPEC+ cuts which, as is known, mainly impact crude oil with a high sulfur content. On the other hand, Canadian heavy crude oil production increased between February and March, which partially offset this effect. Lastly, there was a decline in demand for HSFO for electricity generation, given the transition of various Eastern countries to VLSFO as a fuel for electricity.

Marketing

In Italy, according to data analyzed by Unione Energie per la Mobilità (UNEM) from the source "Ministry of the Environment and Energy Safety - DGI", in the first quarter of 2024 oil consumption amounted to approximately 13.6 Mton, practically stable (-0.1%, equal to -11,000 tons) compared to the same period of 2023. In particular, despite the elimination of fuel oil consumption for thermoelectric power plants, which accounted for 268,000 tons of the total, road mobility and the return to historical levels of air transport, which together were 360,000 tons higher than the volumes in the same period of the previous year, helped to keep consumption high.

In particular, sales of automotive fuels (gasoline + diesel) totaled 7.6 Mton, up by 2.7% (+197,000 tons) compared to the first quarter of 2023. Gasoline consumption grew by +5.3%, showing signs of buoyancy, especially in the services sector, with predominantly positive signs (increasing household confidence, resilience of industrial activities). The consumption of diesel engines rose by +1.8% compared to the same period of 2023. In fact, despite the negative performance for diesel sold on the network (-1%), overall diesel consumption increased thanks to sales by the wholesale channel (+5.9%, equal to 151,000 tons), which reflect the marked recovery in the mobility of heavy vehicles. Overall, in the first quarter of the year, gasoline and diesel consumption together recorded 1.5% higher volumes than in the pre-pandemic period.

The gap between the trends of the two fuels, in addition to economic aspects, including slowing economic developments and the price effect, also reflects a structural factor - namely, the gradual shift in private car consumption from diesel to gasoline, to the advantage of gasoline-powered hybrid cars.

Lastly, jet fuel continues its recovery towards pre-pandemic levels with an increase of 19.3% compared to the same period in 2023. We are only 17,000 tons short of the record level achieved in 2019.

In Spain, the data compiled by CORES available up to the month of February show that in the first two months of 2024, the consumption of motorway fuels generally increased by +5.6% compared to the same period of 2023, with significant growth in demand for gasoline (+13.5%) and, to a lesser extent, in that for automotive diesel (+4.0%). These trends are mainly explained by the current direction of the Spanish market, where the number of hybrid cars (with internal combustion engine running on gasoline) is growing, and where the replacement of fossil diesel with a product of plant origin (HVO, biodiesel) is more evident.

Electricity and CO2

In the first three months of 2024, the PUN reported an average price of about 92 €/MWh compared to an average of about 157 €/MWh in the same period of 2023, down by 26% compared to the previous quarter, in line with the performance in natural gas prices. The mild winter and uncertain macroeconomic conditions brought natural gas prices on average to 29.2 €/MWh, compared to 40.6 €/MWh recorded in the fourth quarter of 2023.

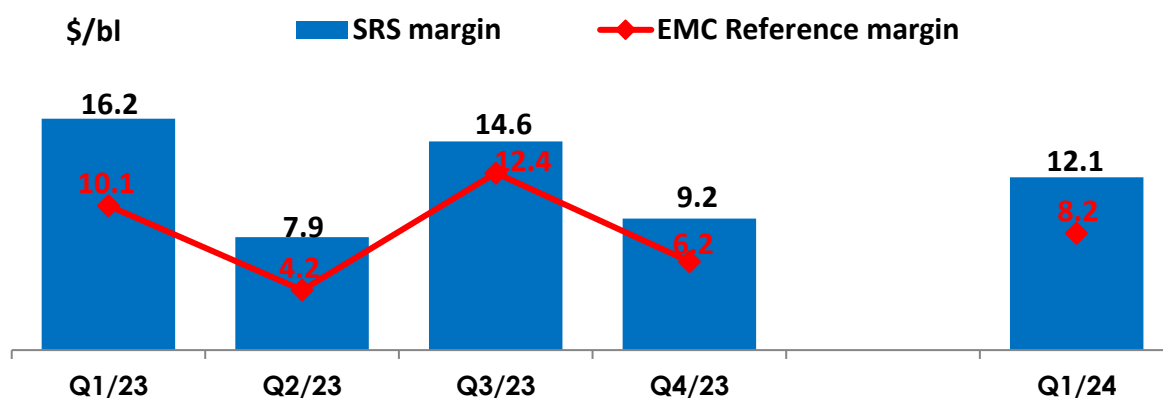
Moving on to the EUA prices of European carbon dioxide emissions, in the first three months of 2024 these recorded an average price of around 60 €/ton (vs. around 87 €/ton in the first three months of 2023), continuing the downward trend, with an average of around 16% lower than in the previous quarter, due largely to the downturn in macroeconomic conditions.

Saras Industrial & Marketing margins and EMC Reference Margin

With regard to the profitability analysis of the Industrial & Marketing segment, Saras uses the "EMC Reference Margin" refining benchmark as a baseline, against which the Saras refinery typically achieves a higher margin thanks to the high flexibility and complexity of its plants, as well as its industrial and commercial performance.

In Q1 2024, the EMC Reference Margin, in light of the market context described in the previous paragraph, averaged 8.2 \$/bl (vs. an average of 10.1 \$/bl in Q1/23). Saras margin was 12.1 \$/bl (16.2 \$/bl in the same period of the previous year), showing a premium of +3.9 \$/bl (+6.1 \$/bl in Q1 of 2023).

The premium achieved in the first quarter is essentially in line with the 2024 *guidance* (which provides for the achievement of an average annual premium of 3.5÷4.5 \$/bl).



Outlook

In the Oil Market Report of April 2024, the International Energy Agency (IEA) confirmed its estimates **on global oil demand in 2024, forecasting growth of +1.2 Mbl/d**. This performance, although lower than that recorded in 2023, **will make it possible to reach an all-time average demand record of 103.2 Mbl/d**. In particular, the non-OECD economies (primarily China, India and Brazil) will contribute to the majority of global growth. On the other hand, the OECD area will suffer a further slowdown in consumption, which already took hold at the end of 2023, as a result of the restrictive monetary policies to contain inflation, combined with the generalized and growing effect of the numerous energy efficiency initiatives, and the increasing spread of electric vehicles.

From a supply perspective, 2024 began with a loss of production in North America, primarily as a result of the extreme weather conditions that shut down a number of oil fields. However, North American production resumed its bullish trend at the end of the quarter. Overall, the IEA forecasts **growth in global oil supply of 0.77 Mbl/d for 2024** (reaching an average level of 102.9 Mbl/d, therefore able to balance consumption), and will be led mainly by non-OPEC+ countries (mainly the United States, Brazil, Guyana and Canada), while the OPEC + production cuts may remain in force until the end of the year.

Looking at the refining sector, the IEA expects global processing to grow by around 1 Mbl/d in 2024 (reaching 83.3 Mbl/d), with an important contribution from the start-up of new large refineries in non-OECD countries (in the Middle East, Africa and Asia) which will put pressure on some obsolete and non-competitive sites in Europe and the USA.

Looking at the performance in crude oil prices in 2024, the intensification of geopolitical tensions in the Middle East (with the attacks on vessels in transit in the Red Sea), together with the aforementioned production interruptions in North America and Canada, have supported the reference crude oil prices of Brent Dtd in the first few months of the year. In mid-April, Brent Dtd exceeded 93 \$/bl, following the launch of Iranian missiles and drones against Israel. The risk of a further spread of the conflict in the Middle East has serious implications for the price of oil and LNG. Flows of around 17% of global crude oil consumption (18 Mbl/d) and roughly 25% of global LNG consumption (100 Mton/year) pass through the Persian Gulf and, unlike the Red Sea, there are no alternative routes for exports. Fortunately, in the following weeks there were signs of an easing of tensions in the Middle East. Brent prices therefore fell to around 85 \$/bl at the beginning of May, also due to fears that the Central Banks could keep rates high for many months, causing a further slowdown in consumption. The main independent sector sources expect Brent Dtd prices to remain at levels similar to the current ones (approx. 85 \$/bl), albeit with a volatile performance linked to the macro-economic context and the evolution of geopolitical factors.

As regards the price spreads of the main types of crude oil, high sulfur content "*sours*" could continue to be supported by the continuation of OPEC+Russia production cuts, thus reducing the premium on the refining margin that can be obtained from complex refineries with high conversion capacity (including that of the Saras Group). Conversely, crudes with a low sulfur content ("*sweet*") should maintain, also in the remainder of the year, higher premiums than the historical averages, due to expectations of robust levels for the crack spreads of medium and light distillates (although a gradual normalization is possible).

Moving on to the analysis of refined products, the crack spread of gasoline, after the seasonal decline in the last quarter of 2023, followed an increasing trend, thanks to the resilience of consumption in the private sector, and averaged approximately 17 \$/bl in the first four months. Experts predict robust demand also in the spring (coinciding with the scheduled maintenance season) and during the summer (in line with the seasonal dynamics of the "driving season"), and therefore confirm expectations higher than the historical averages.

As regards the diesel crack spread, after a robust first quarter, there was a drastic decline in April. In fact, the high cracks seen in Europe in the first few months of the year had attracted large volumes of imports from Asian refineries, as well as from American ones. The closure of transit in the Red Sea caused a delay in arrivals, which however landed at the same time, creating an excess, and also combining with a moment of weak consumption (winter temperatures higher than seasonal averages reduced the consumption of heating oil, and the lackluster economic context limited consumption in the industrial sector). For the rest of the year, forecast sources believe a recovery to levels above 20 \$/bl is possible, justified by the structural change of the European market, which has definitively replaced the import flows via oil pipeline from Russia with those by ship, considerably more expensive.

Finally, with regard to the electricity market, the single Italian national price (PUN) of electricity is expected to remain on average at levels close to 85 €/MWh, albeit subject to the volatility of natural gas, which may be affected by geopolitical events in Middle East. Moving on to the prices of EUA permits on CO2 emissions, there was a decline in the first few months of 2024, reaching 50.5 €/ton at the end of February, mainly due to the slowdown in activities in the industrial sectors. At the end of the first quarter, however, prices rose (approximately 67 €/ton at the end of April), and on the whole, experts predict levels around the current levels also in the rest of the year, in line with the decarbonization commitments of European countries.

In light of these forecasts, still characterized by high volatility, **expectations for the “EMC Reference Margin” are also positive for 2024, with levels higher than historical averages**, albeit down compared to 2023.

As regards the operations of the industrial site of Sarroch, the first quarter of 2024 saw the turnaround of the alkylation plant used in the gasoline cycle, and of the tail gas treatment plant (TGTU), and some minor maintenance work on a “topping” distillation unit (T1). Subsequently, in the second quarter, an atmospheric distillation unit, the “topping” (RT2) unit, and a vacuum distillation unit, the “vacuum” (V1) unit, will be affected by turnaround maintenance, with the simultaneous slowdown of operations of the IGCC plant. In the third quarter no significant maintenance work is planned, while in the last quarter maintenance was planned for a cleaning of the “topping” (T2) and the “vacuum” (V2) units, and maintenance of a turbine, a washing line and two IGCC gasifiers.

Overall, the annual processing of crude oil is expected to be approximately 13.3 ÷ 13.7 Mton (or 97 ÷ 100 Mbl), which will be augmented by approximately 1 Mton of crude oil complementary plant feedstock (corresponding to roughly 7 Mbl); in addition, power generation is expected to be around 4.1 ÷ 4.3 TWh, up compared to 2023 levels, consistent with the planned maintenance works and based on an assumed essential power requirement. In fact, it should also be recalled that Sarlux Srl combined cycle power plant (IGCC) has been registered by TERNA under the "essential" plants for 2024 as well, and that it has been admitted to the related cost reimbursement regime by ARERA.

Activities started in 2023 aimed at improving the performances of the Industrial & Marketing segment are continuing in 2024, with the involvement of a broad spectrum of commercial and industrial initiatives, and targeted at both margin maximization and cost optimization, to maintain the Sarroch refinery among the best assets in the sector and increase its resilience to market volatility.

Given the expected reference scenario, as well as the operating conditions, maintenance activities, and specific efficiency initiatives described above, the **Company confirms that in 2024 it will be able to achieve an average annual premium compared to the EMC Reference Margin of between 3.5 ÷ 4.5 \$/bl**. Once again, it has to be noted that the Saras premium will benefit from the favorable conditions expected for product crack spreads, as will the EMC Reference Margin; moreover, the Saras margin could be affected by the overall increase in the spreads of the various crudes with respect to Brent, while this will not have an impact on the EMC Reference Margin. Therefore, the combined effect of expected market developments is one of the main factors that explain the expectation of the average Saras premium indicated above.

The forecasts relating to fixed costs of the Industrial & Marketing segment are confirmed as equal to approximately EUR 380-400 million, down compared to the year 2023 mainly due to the different maintenance plan envisaged and the impacts of the optimization initiatives in progress.

Finally, the segment investments are confirmed to amount to around EUR 170-180 million, to continue increasing the efficiency and maintaining the competitiveness of the plants. This estimate includes approximately EUR 10 million of investments dedicated to the launch of Energy Transition projects.

Concerning investments in the Renewables segment, the construction of the 79 MW “Helianto” photovoltaic park is expected to be completed by the first half of 2024, which will bring the total installed and operating capacity of the Renewables segment to 250 MW in the second half year of the year. The start of production of the “Helianto” photovoltaic park makes it possible to estimate a cumulative production for the whole of 2024 of approximately 350 GWh. It should also be noted that this production will be fully valued on the market in 2024 and it is estimated that the incentive component, which had been zero in 2023, will have an impact of approximately EUR 2 million.

With regard to **investments in the Renewables segment**, an amount of approximately EUR 40 million, of which 13 €M is expected to be dedicated to the completion of the Helianto photovoltaic park, while the remaining amount will depend on obtaining Single Authorizations for the construction of new wind farms in the company pipeline.

Finally, concerning the expected trend of the Group **Net Financial Position**, the forecasts of characteristic cash generation and the trend of working capital (by virtue of the scenario and performance assumptions hypothesized by the Company) allow to forecast a positive Net Financial Position at the end of the year.

Energy Transition activities are also continuing in 2024 due to opportunities and the evolution of the regulatory context. The projects in progress include the following in particular:

- the development of a project to construct a 20 MW electrolyzer, aiming to produce green hydrogen for use in the Sarroch refinery, powered by renewable energy. To this end, SARDHY, the JV with Enel Green Power was selected among the Italian beneficiaries of the public grants approved by the European Commission as part of the IPCEI Hy2Use. The total amount of the loan approved by IPCEI to SardHy Green Hydrogen Srl is approximately EUR 102 million, of which a first tranche subject to a Concession decree of 28th December 2023, while the remainder will be disbursed under another decree. Pending the complete assignment of the loans, activities involving the negotiation and finalization of contracts for the supply of materials and for works tenders are continuing. The second half of 2024 is expected to see the start of construction of the hydrolyzer, which is expected to enter into operations in the first half of 2026;

- the assessment of the Carbon Capture and Storage (CCS) project, for which activities are in progress relating to the entire development chain, including logistics and transport, and to finalize costs and timings;
- the project dedicated to the use of hydrogen and CO₂ for the production of synthetic fuels with the aim of optimizing the potential uses of CO₂ for which a loan was awarded in 2023 as part of the "Hard to Abate" NRRP call for tenders. The completion of engineering activities and the start of construction are expected in 2024, with construction expected to be completed by the end of 2025. Total investments are expected to be approximately EUR 10 million, and will be covered almost entirely by loans;
- biofuel production, with technical assessments are underway for the expansion and optimization of hydrogenated vegetable oil (HVO) production activities both in co-processing and in purity. In particular, studies and tests are underway that would allow a future production of pure HVO for 20 kton/year. Changes in logistics are being developed to expand the range of usable vegetable oils (including high pour point oils). Engineering activities are underway for a new pre-treatment plant that will make it possible to expand the range of raw materials that can be used in the production of HVO both in co-processing and in purity and for the revamping of some existing desulfurization units (U300 and U700) to produce HVO and HEFA pro SAF up to 200 kton/year;
- the "Waste To Fuel" project, for which a financing application has been submitted for a European tender for the construction of a low-temperature pyrolysis plant for the production of advanced fuel and carbon black from used tires (about 14 kton/year).

Conference call on May 14^h, 2024 and other information

A press release with Saras Group Q1 2024 Results will be released on May 14th, 2024, at the end of the Board of Directors meeting of Saras SpA that will be held in the morning of the same day.

At the same time, a slide presentation will be available on the company's website (www.saras.it).

At 16:00 CET, there will be the conference call for analysts and investors. The management will comment further on the results and answer questions.

Invitation link for the conference call:

[CLICK HERE TO REGISTER FOR THE CONFERENCE CALL & WEBCAST](#)

Link for the live webcast:

<https://87399.choruscall.eu/links/saras240514.html>

Playback and transcript of the webcast will also be available on the company's website www.saras.it

For enquiries, please contact Saras' Investor Relations office.

This press release has been prepared pursuant to the Regulation implementing Legislative Decree 24th February 1998 number 58, adopted by CONSOB under resolution 14th May 1999 number 11971, as amended and supplemented. It is available to the public on the Company's website under "Investors / Financial Press Releases", and also on the "1Info" authorised storage mechanism (www.1info.it). Moreover, the Interim Financial Report as of 31st March 2024 is also available to the public at the Company's registered Office in Sarroch (CA) S.S. 195 Sulcitana Km. 19, on the Company's website under "Investors / Financial Reports", and on the "1Info" authorised storage mechanism.

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The Saras Group, founded by Angelo Moratti in 1962, is one of the leading players in the European energy and oil refining industry. Through the Parent Company Saras S.p.A., and its subsidiaries, Saras Trading SA, based in Geneva, and Saras Energia SAU, based in Madrid, the Group sells and distributes oil products in the domestic and international markets. The Group also operates in the production of electricity, through its subsidiaries Sarlux S.r.l. (IGCC plant) and Sardeolica S.r.l. (wind plant). The Group has about 1,591 employees and total revenues of about EUR 11.4 billion as at 31 December 2023.