



Rubis enters into exclusive negotiations with I Squared Capital for the sale of its 55% stake in the Rubis Terminal JV

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Bruno KRIEF, Managing Director in charge of Strategy and M&A

Good morning everybody. Thank you for being there this morning. You have just received this information, that we are going to start exclusive negotiations with I Squared for the divestment of Rubis Terminal. Of course, this is something that will take some time because you have to respect certain conditions precedent. However, we have received an articulation of the deal, which gives us the main elements of the value and that shows us the interest for Rubis to pursue this proposal and start discussions as soon as possible with I Squared.

I remind you that I Squared is a private equity fund and we set up a JV four years ago in 2020 to put together the ownership of Rubis Terminal. We have had four years of strong development, with acquisitions and also reprofiling the Group in Europe by selling the Turkish operation and growing in the Mediterranean through Tepsa. We have also extended our footprint in Northern Europe, mainly by the expansion, construction of new chemical capacity.

The PR gives you the main economics of the deal, so the equity representing the cash paid by I Squared, in case we go forward. This is the proposal of 375 million for 55% of our JV ownership. It then represents a multiple of EBITDA in the last twelve months starting in June of 11 times, which we believe reflects the value. It is also true that the value has increased since we put together this JV, so we have crystallised the value, which is reflected in the capital gain expected if we take this route of selling to I Squared at this price, that could generate 75 million capital gains in Rubis' books. We have decided to share this advantage with the shareholders through an extraordinary or exceptional dividend payment if the deal is closed one day, representing the whole capital gain at 75 cents per share.

The remaining cash we would get from the disposal, something like 300, will again constitute a war chest for Rubis to develop further in our business, as you know Energy Distribution. That is for both our legacy business and also of course the energy transition operations where, as you know there is enormous potential for further developments.

In a few words, this is what I would like you to confirm and above all, I am here to exchange and answer your questions to provide more precision in this case. Please, if you need more information, I will try to help you.

Moderator

As a reminder, please press star 1, 1 on your telephone to ask a question and wait for your name to be announced. Please press star 1, 1 again to remove your question.

Mourad LAHMIDI, Exane BNP Paribas

Good morning, Bruno. I have a question about the total EV you agreed on with I Squared Capital. I think when you sold the 45% back in 2019, it was 1 billion, so what is the number today?

Bruno KRIEF

I told you we mentioned a figure of 11 times, which is rounded from 10.8. To answer your question more precisely, maybe you are looking for the enterprise value, so an enterprise value of 1.450 million euros.

Mourad LAHMIDI

Okay, great. Then the other question is on the use of this cash. You talked about projects in renewables but your strategy is clear to develop renewables with non-recourse debt, so in what kind of business do you want to use that cash?

Bruno KRIEF

Basically, it will be allocated to the whole Group's business, not only the renewables but also the Energy Distribution, the legacy business, where we would see if we can find some opportunities or good complementary assets, geographical or business or whatever. The scope is quite large, so not only photovoltaic but also the legacy business. Of course, as you know, the government in France and potentially in Italy, Spain, Poland are very pressing on the development of renewable energy sectors and this could also constitute an opportunity. We could also add a second arm to Photosol if there are some opportunities, which would of course have to be very complementary of the existing Photosol, so this is an option. Of course, the other option is to simply accelerate the organic growth within Photosol, which would require enormous financial leverage and some new money. That is how we see it.

Also, do not forget that we are putting aside 75 million, representing the capital gain, for the shareholders as an extraordinary dividend.

Mourad LAHMIDI

Okay, thank you very much, Bruno.

Moderator

There are no questions at this time, please continue.

Bruno KRIEF

If there are no other questions, the PR is self-explanatory, and we are now starting the work to take this proposal further with a view to completing this proposition.

I was very pleased to have a quick chat with you and I wish you all a good day.

[END OF TRANSCRIPT]